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ABSTRACT

This document comprises an assessment of the educational needs of newly legalized aliens in California that must be met using State Legalization Impact Assistance Grants (SLIAGs) provided under the Immigration Reform and Control Act (IRCA) of 1986. Close to 1.5 million of the 1.7 million eligible legalized aliens are adults with very limited educational backgrounds and limited English-speaking proficiency. The following levels of need are considered: (1) approximately 856,000 pre-1982 immigrants must enroll in a federally approved English and United States citizenship certification course by December 1990 to satisfy the requirements of IRCA; (2) approximately 1 million are eligible for educational services under California's State plan for serving the legalized alien population; and (3) 1.5 million are eligible for educational services provided under the SLIAG program. While SLIAG funding statewide appears adequate to meet the need, there is a critical mismatch of services with need at the local level. Recommendations for improvement include the following: (1) if the State Legislature is unable to ensure adequate course availability for pre-1982 immigrants in 1988/89, the State should petition Congress to extend the deadline for compliance with the IRCA; (2) the legislature should assume a strong leadership and oversight role in implementing the IRCA and should assess its long-term impact on adult education; (3) the State Department of Education should address the levels of educational services in currently underserved counties; and (4) funding disincentives should be reduced and funding formulas should be adjusted to adequately reflect costs and program needs. Statistical data on 20 graphs and tables are included. A description of the research methodology, a glossary, and a chronology of events are appended. (FMW)

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OUT OF THE SHADOWS

The IRCA/SLIAG Opportunity

A REPORT TO THE CALIFORNIA POSTSECONDARY EDUCATION COMMISSION BY CALIFORNIA TOMORROW

UD 027 275

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Summary

The California Postsecondary Education Commission was directed by the Legislature in the 1988-89 Budget Act to assess the adequacy of the educational services for eligible legalized aliens seeking to gain permanent residency status under the provisions of the federal Immigration Reform and Control Act of 1986 (IRCA) and its State Legalization Impact Assistance Grants (SLIAG) Program. The Commission is to report (1) data regarding the number of individuals needing educational services in order to meet the federal requirements, (2) the supply and adequacy of the educational programs, and (3) recommendations for future educational funding.

The Commission contracted with California Tomorrow -- a non-profit policy research organization with offices in Los Angeles and San Francisco -- to complete this project. California Tomorrow prepared this report in response to the budget directive.

An Executive Summary on pages 1-12 of the report presents its primary findings and its nine principal recommendations. The seven major sections of the report then explain the origins of the project, the educational services needed by California's eligible legalized aliens to meet the provisions of the 1986 Act, the actual supply of these services, and issues of quality assurance, the State's role in policy formation and coordination, and the adequacy of federal and State funding.

The Policy Evaluation Committee of the Commission discussed a preliminary draft of the report at its January 23, 1989, meeting and the entire Commission approved a second draft at its March 17, 1989, meeting. This final version, published in May 1989, contains updated statistics that were unavailable earlier. Additional copies of this report may be obtained without charge from the Library of the Commission at (916) 322-8031; Third Floor, 1020 Twelfth Street, Sacramento, California 95814-3985. Further information about the substance of the report may be obtained from Laurie Olsen of California Tomorrow at (415) 441-7631; Fort Mason, Building B, San Francisco, California 94123.

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On the cover: Naturalization ceremony at the United States District Court, Eastern District, Sacramento, California; May 25, 1989.

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OUT OF THE SHADOWS
The IRCA/SLIAG Opportunity

A Needs Assessment of Educational Services for Eligible Legalized Aliens in California Under the State Legalization Impact Assistance Grants Program of the Immigration Reform and Control Act of 1986

A Report to the California Postsecondary Education Commission by California Tomorrow

CALIFORNIA POSTSECONDARY EDUCATION COMMISSION

OUT OF THE SHADOWS
The IRCA/SLIAG Opportunity

A Report to the California Postsecondary
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California Tomorrow is a non-profit, non-partisan organization built on the belief that California's diverse population offers a rare opportunity to create a fair, working multi-racial, multi-cultural society. California Tomorrow publishes a magazine, produces and distributes radio documentaries, organizes local coalitions, and conducts studies such as this one -- all focused on critical State issues and managed by the staff and a dozen or so California Tomorrow Fellows selected each year as committed citizen leaders.

The Board of Directors of California Tomorrow consists of Lewis H. Butler, *President;* Carol Council, Neal Halfon, Antonia Hernandez, Robin Kramer, Martin Krasney, Stewart Kwoh, Hugo Morales, Richard Reinhardt, Don Ritchey, Cecilia Sandoval, and Morris Thomas.

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Executive Summary

IN 1986, Congress passed the Immigration Reform and Control Act (IRCA) as a sweeping reform of federal immigration law. The Act presented an opportunity for certain undocumented aliens illegally residing in the United States to apply for legal residency status. More than half of the nation's applicants for amnesty under the Act reside in California -- home to over 1.7 million eligible legalized aliens. These eligible legalized aliens have a total of 30 months from the date they applied for amnesty to complete the requirements for adjusting their status to permanent resident alien. Failure to fulfill these requirements makes them subject to deportation.

Recognizing the fiscal impact on state and local governments which might ensue from newly legalizing aliens availing themselves of public services (particularly those related to satisfying requirements for legal adjustment), the Immigration Reform and Control Act provided for State Legalization Impact Assistance Grants (SLIAG). California is expected to receive approximately $1.99 billion in State Legalization Impact Assistance Grant funds over a four-year period (1988-1991) out of a total federal allocation of $4 billion. This "SLIAG" funding represents a tremendous opportunity for California to address the educational, health and public assistance needs of eligible legalized aliens, thereby serving as a vehicle to bring them out of the shadows into full participation in our society and economy.

The Immigration Reform and Control Act represents a major opportunity for California, but it also poses some significant challenges: a very time-limited period to provide educational services to an unexpectedly large number of eligible legalized aliens, with high stakes for failure to provide those services; the need to institute a program very quickly with relatively little information available to policy makers about the size of the need or the exact Immigration and Naturalization Service requirements for educational services; and the need to rely on several large agencies to work quickly and closely together. In spite of these challenges, California's State Legalization Impact Assistance Grant Program moved more quickly than those of most other states in the union.

The federal government gave states a great deal of discretion to design the size, scope, and priorities of their state grant programs. In California, with the Health and Welfare Agency designated by Governor Deukmejian as the lead agency, a five-year plan was developed, utilizing grant funds for three categories of programs -- education, public assistance, and health. This needs assessment is focused on the adequacy of the plans and implementation of educational services to adult eligible legalized aliens under the state grants program.

Of the 1.7 million eligible legalized aliens in California, close to 1.5 million are of age to avail themselves of educational opportunity as adults in the educational system. They are most heavily concentrated in Los Angeles County (46 percent of the State total) and Orange County, but 20 counties have over 10,000. As a whole, the eligible legalized alien population has very limited educational background and limited English-speaking proficiency (see Part One, "Introduction to the Program").

The Need

There are three different levels of need for educational services under the Immigration Reform and Control Act with which the State must concern itself.

- The first level (Scenario 1) is that sub-group of eligible legalized aliens between the ages of 16 and 64 who immigrated before 1982 and who are required either to demonstrate *either* proficiency in English and knowledge of U.S. civics and history *or else* satisfactory pursuit of those proficiencies with certification of minimum enrollment (40 hours' attendance) in a course of at least 60 hours in length that is designed to lead to such competency. A continuing lack of clarity regarding the Immigration and Naturalization Service regulations pertaining to such proficiencies and courses has made it difficult to pinpoint the exact number of people who will require these courses. Our best estimate is that 856,000 pre-1982 immigrants may need to enroll in them in order to meet the Immigration and Naturalization Service requirements for adjustment.
- However, in addition to this legalization goal, California has an additional goal of addressing the educational needs of the eligible legalized alien population. For planning purposes, these needs or demand for education are probably more relevant to program and budget planning than Scenario 1. In this second scenario, we estimate that the actual likely demand and need will be 1 million eligible legalized aliens.
- A third scenario includes all those eligible legalized aliens who are potentially eligible to receive educational services under the state grants program. This third figure is 1.5 million (see Part Two, "The Need for Educational Services").

The Supply of Courses

Educational providers within California have demonstrated a strong commitment to proceed with the implementation of the State Legalization Impact Assistance

Grants Program in spite of the lack of clarity about Immigration and Naturalization Service regulations, delays in establishing and clarifying State regulations, and a vacuum of information about anticipated levels of need and demand. Providers funded through the state grants program plan to provide a projected 1,082,000 slots over its first three-year period. On the whole, the actual demand for courses has far exceeded the plans and estimates of both State planners and local providers, and providers have stretched programs to incorporate almost 20 percent more eligible legalized aliens than they planned. In addition to the State grant program capacity, there is an additional untapped potential capacity among the 165 or more educational programs in California that offer courses in citizenship or English as a second language but are not now part of the state grants program.

While the statewide supply appears adequate to meet the need, there is a critical mismatch of services with need at the local level. Forty-eight counties are projected to have an insufficient supply of courses. Twenty have critical shortfalls (see Part Three, " Supply of Educational Services").

There is still uncertainty as to how demand for classes will be phased over the years of the program, and close monitoring by the State will be essential to ensure an adequate supply to meet the need and demand.

Overall implementation of the program, including ensuring adequate numbers of courses and adequate quality in the courses offered, is being hampered by several factors:

- Inadequate State-level coordination as information has become available on demand and need;
- Role conflict between State agencies involved in implementation of the Immigration Reform and Control Act and that report to separate Constitutional officers;
- State budget action that has restricted the flexibility of State grant program funds;
- An understaffed Immigration Reform and Control Act Unit within the State Department of Education that has prevented timely development of regulations, resulted in a slow processing of applications for State grant program approval and a critically-delayed reimbursement process, and resulted in minimal technical assistance to the field;
- Demand that exceeds the supply resulting in very large class sizes, waiting lists, and a data vacuum about anticipated need/demand; and
- Inadequate funding formulas that present significant disincentives for certain types of providers to become involved in serving eligible legalized aliens under the program (see Part Four, "Quality of Educational Services").

Issues for State Policy

Policy analysts had to establish the State Legalization Impact Assistance Grant plan without solid information about the total number of eligible legalized aliens, levels of need, or likely patterns of utilization. Data now show that the assumptions of need and demand upon which the State plan were based were very low, resulting in a budget that is inadequate both in its scheduling and total allotment to address the emerging need and demand for educational services (see Part Five, "The State Role: Policy and Coordination").

Based upon our estimates, California can expect a shortfall of approximately $143 million in the 1988-89 year and an overall shortfall in the full allotment for educational services of between $130 and $392 million, depending on whether critical revisions are made in funding formulas, and how the need and demand for services phases itself over the next few years (see Part Six, "Funding Issues").

This report makes nine major recommendations designed to maximize the number of eligible legalized aliens who complete the second-phase amnesty process; ensure high quality in educational programs that address the educational needs of the eligible legalized alien population; maximize the use of federal State Legalization Impact Assistance Grant funds; and pave the way to planning for the long-term impact of the legalization program on California's educational system and economy. These recommendations are as follows:

1. **California's anticipated fiscal-year 1988-89 shortfall of approximately $143.5 million in State Legalization Impact Assistance Grant funds should be addressed immediately in order to enable educational providers to continue operation.**

2. **The State should give first priority for funding under the State Legalization Impact Assistance Grant Program to counties with anticipated shortfall of services. These counties should give first priority enrollment to pre-1982 immigrants who require courses to fulfill the requirements of the Immigration and Naturalization Service for adjustment to permanent residency status.**

3. **If California is unable to ensure adequate course availability for those pre-1982 immigrants who need educational services in order to adjust to permanent residency status, the Legislature and the Governor should exert all possible influence with Congress and the Immigration and Naturalization Service to extend the December 1990 deadline for these immigrants' adjustment to permanent residency status on the basis that the State does not have adequate course availability to assist them to meet requirements.**

4. **The Legislature should institute a strong leadership and oversight role in implementing the Immigration Reform and Control Act in California through a program that includes an oversight and quality control mechanism and a mediation mechanism to mitigate conflicts between agencies involved in implementing the Immigration Reform and Control Act.**

5. **The Legislature should convene a legislative task force to consider the long-term impact of the legalizing population upon adult education and to recommend policy initiatives to ease the transfer of fiscal burden from federal to State funds.**

6. **A formal working group that reports to the Legislature and is comprised of high-level representatives of all major agencies and offices involved in implementing the Immigration Reform and Control Act should be established to improve statewide monitoring processes and State-level planning and coordination among these agencies.**

7. **The State Department of Education should continue high-level staff involvement in managing the Immigration Reform and Control Act Unit and intensify its efforts to staff the unit adequately. It should immediately review and revise current professional and clerical staffing for the unit and, with the full cooperation of the Department of Finance and the Health and Welfare Agency, expedite acquisition of necessary staff.**

8. **In order to ensure a coordinated and adequate level of educational services in currently underserved and unserved counties, the Department of Education should immediately convene county-level planning groups in counties of concern, and institute a prioritizing system in the approval of applications for program funding.**

9. **To encourage continued service levels and expansion of programs, as well as to maximize use of federal funds, funding disincentives under the state grants program should be reduced and funding formulas should be adjusted to more adequately reflect costs and program needs. The community college reimbursement rate should be raised immediately to the level of regular non-credit reimbursement rate -- $2.85 per hour. Excess allowable costs should be more broadly defined so that costs incurred by providers can be reimbursed. Of greatest importance, child-care costs should become allowable reimbursement expenses** (see Part Seven, "Conclusions and Recommendations").

1 Introduction to the Program

SHAPED by the Immigration and Nationality Act of 1952 as amended in 1965, by a series of refugee acts passed between 1961 and 1980, and by foreign and domestic economic and political forces, the immigration waves of the past two decades constitute the largest migration ever to our nation. This historic level of immigration has impacted most heavily upon California -- destination for 28 percent of the nation's legal immigrants and 50 percent of the nation's undocumented immigrants. About 5.3 million Californians are foreign born -- 20 percent of the State's population. In the past ten years, immigration was responsible for close to half of the State's growth.

On November 6, 1986, President Reagan signed a sweeping reform of the federal immigration law. That Immigration Reform and Control Act (IRCA) of 1986 (Public Law 99-603) presented an opportunity for certain aliens illegally residing in the United States to apply for legal residency status. Those aliens who had been continuously in the United States since January 1, 1982 ("pre-82s"), or had been engaged in specific types of agricultural work for at least 90 working days prior to May 1, 1986, were eligible for legalization under the Act. More than 55 percent of the nation's applicants for legalization under this Act reside in California. Close to 1.7 million California applicants have been approved in this first phase of the amnesty process as temporary residents.

These temporary residents are eligible to apply to become permanent residents after 18 months in temporary status -- and are granted a 12-month period in which to fulfill the requirements. Adjustment to permanent residency status is a requirement for remaining in the United States. It then becomes an option for these permanent residents to become U.S. citizens. Temporary residents are called "eligible legalized aliens" or "ELAs."

Concerned that amnesty applicants demonstrate they were deserving of amnesty, Congress imposed a requirement that they demonstrate certain proficiencies. For pre-1982 immigrants, permanent residency is contingent, among other things, upon either a demonstrated proficiency in the English language and a basic knowledge of U.S. history and government *or* "satisfactory pursuit" of a course of study. One of the primary ways "satisfactory pursuit" can be accomplished is through enrollment in an approved course of instruction leading to these competencies. Seasonal agricultural workers do not have to demonstrate English language proficiency or demonstrate satisfactory pursuit of a course of study in order for adjustment to permanent residency status.

The legalization program provides an opportunity to bring many undocumented aliens out of the shadows into full participation in America's society and economy. It provides the vehicle by which the alien population will be able to contribute more fully to our society as well as an opportunity to address some of the problems evidenced in the undocumented population -- particularly those related to poor health, restricted employment, limited English fluency, victimization, inadequate housing, and educational attrition.

Policy Intent of the State Legalization Impact Assistance Grants

Recognizing the fiscal impact that might ensue from newly-legalizing aliens availing themselves of public services in the states, Section 204 of the Immigration Reform and Control Act established the State Legalization Impact Assistance Grants (SLIAG) Program "to alleviate the financial impact on states and local governments that may result from the adjustment of immigrant status" through the legalization program. The program sought to cushion the immediate impact that new legal residents might have on public services in general, and, with regards to educational services, intended to cushion the costs associated with assisting eligible legalized aliens to meet the educational requirements of the Act for adjustment to permanent residency status. The program was constructed to include all allowable educational services for all eligible legalized aliens up to $500 per year. It became an unparalleled opportunity for government to ensure that aliens legalizing under the Act could receive public assistance, health and educational services that would help them fully integrate into American society.

Congress appropriated $1 billion for each of four fiscal years, beginning in 1988 and ending in 1991, to reimburse states for the provision of public assistance, health care, and educational services to eligible legalized aliens. The program is intended to cover additional costs to states resulting from the enactment of the Act, with a recognition that the funds may not allow for *full* reimbursement of 100 percent of the costs. California's share of this appropriation is estimated to be approximately $1.799 billion. Under the statute, a minimum of 10 percent of the SLIAG program monies must be allocated among each of the three program categories (education, health care and public assistance), if a sufficient need exists in these areas. The remaining 70 percent can be used at a state's discretion. The federal government left it up to the states to develop and present a state plan for the specific formulas for reimbursement plus the guidelines and priorities for the services to be included in the state program. California thus had a great deal of discretion over the size, scope and priorities of the California SLIAG program (see Part Five, "The State Role: Policy and Coordination"). To date, California has produced five official documents outlining the implementation plan: the two Governor's Budgets for 1988-89 and 1989-90 that discussed the program; (2) the two

program applications to the federal government for fiscal years 1987-88 and 1988-89; and the State Department of Education's "California State Education Plan."

The Policy Challenge for California

The Immigration Reform and Control Act of 1986 unquestionably poses a major opportunity for California -- but four issues raised by its implementation combine to create a major policy challenge as well.

1. *A time-limited and high stakes need for services*

   Those pre-1982 immigrants who need educational services in order to satisfy requirements to qualify for permanent residency status have only a 12-month application period to fulfill requirements. This period begins to run at the end of their temporary residency status, 18 months after the filing of their amnesty application. The immediate and critical need for educational services is phased over several years and ends at the close of 1990. If pre-1982 immigrants are unable to meet the requirements, they will have lost the opportunity to become permanent legal residents and are subject to deportation.

2. *An information vacuum*

   California faced the need to establish a major State program and implement it as quickly as possible in spite of the fact that almost no data were available about the size, magnitude or characteristics of the eligible legalized alien population, their educational backgrounds or levels of need, likely demand and utilization patterns. Equally significant was the lack of information in three areas: (1) Immigration and Naturalization Service requirements for adjustment to permanent residency status; (2) regulations governing the approval process for educational programs; and (3) mechanisms that educational programs would be required to use to document attendance, issue certificates, and certify proficiencies for those needing documentation for the adjustment to permanent residency status.

3. *Difficulties of planning for open-ended services, setting priorities, and accommodating both the short-term requirements of the Immigration and Naturalization Service and the long-term needs of the eligible legalized alien population*

   While the State Legalization Impact Assistance Grants Program is designed to reimburse states for the costs of providing educational services to eligible le-

galized aliens, the need is an open-ended one, the funding limited, and the supply of educational services is limited. The state grants program allows an individual eligible legalized alien to enroll and re-enroll in courses covered by program funds subject only to a $500 per year cap. With no data to estimate the length of time eligible legalized aliens may choose to remain in the educational system, and no mechanisms in place to prioritize services or prioritize subpopulations of eligible legalized aliens, competition for limited course seats is difficult to govern. Providers at the local level and State-level planners must choose between either a first-come, first-serve policy, or a clear policy of priorities governing who enrolls, the length of time they may stay, and types of courses given priority. These priorities are articulated in several State documents but are proving very problematic to implement. Providers and State planners face the tremendous difficulty of trying to budget limited funds and plan limited programs with a wide universe of need/demand.

4. *Reliance on several large agencies to implement programs quickly, and to coordinate and work together*

   Even with the strongest commitment and best intent, it is difficult for the staff of large bureaucratic agencies to gear up for a quick and smooth implementation of a major new program. The tight time frames, the time-limited and high stakes need for services, and a lack of clarity about roles and responsibilities for planning and implementation have combined to create pressure and a less-than-optimum working process for developing the state plan and implementing the state grant program. Program funding in California necessitates that decisions about the scope, shape, and magnitude of the program be made with involvement of several major agencies, reporting to different statewide elected Constitutional officers.

In spite of these challenges, California has managed to move ahead and implement a State Legalization Impact Assistance Grants Program. Agencies forged ahead with plans, a five-year budget was constructed, and approval was given to providers to begin offering services under the program. All of this was accomplished by people doing the best they could with limited information, conflicting roles and responsibilities, and an acknowledgment that flexibility, monitoring and revisions would be necessary to accommodate the reality of the need, demand and utilization of services. Recognizing the necessity of monitoring whether sufficient funds were budgeted to ensure a sufficient level of educational services to those eligible legalized aliens needing them, the Legislature directed the California Postsecondary Education Commission to develop a needs assessment of the educational needs of the eligible legalized alien population, the numbers needing educational services in order to meet the requirements of adjustment to perma-

nent residency status, and the supply and adequacy of available courses. In turn, the Commission contracted with California Tomorrow -- a non-profit research organization with offices in Los Angeles and San Francisco -- to conduct the assessment. This is the final report of that project, based on telephone survey interviews with 89 percent of all education providers in California funded under the State Immigration Impact Assistance Grants Program, in-depth case studies in 10 California communities, analyses of available State data about implementation of the Act, and a review of pertinent State documents and files. In addition, the Commission convened an advisory panel that reviewed the methodology and research design of the project, provided input on major issues under review, and examined a preliminary draft of this report. (Appendix A on pages 87-94 describes these elements of the project, while Appendix B on pages 95-96 contains a glossary of frequently used terms, and Appendix C on pages 97-99 outlines a chronology of events surrounding California's implementation of the program.)

The data that the State might like to have in order to picture completely the need for educational services under the State Immigration Impact Assistance Grants Program, the demand for and utilization of these services, and the appropriate and necessary level of funding for them is simply not fully available at this time. This needs assessment provides more information than has been known to date and will be helpful in revising and adjusting the State's current program plans. However, the program is still too new and the needs and behavior of the eligible legalized alien population still relatively unknown to provide hard and fast answers to all the questions. Continuing monitoring, assessment, and revisions will be necessary if the program is to fulfill its promise to the eligible legalized aliens and to California and provide eligible legalized aliens with the means for adjusting to permanent residency status, becoming U.S. citizens, addressing their significant educational needs, and enabling them to integrate more fully into American society and California's economy.

The State Legalization Impact Assistance Grants Program is short-term, in that the federal commitment to it lasts only four years. The opportunity it represents is short-lived, and there is work to be done if we are to make use of that opportunity. The stake for California goes far beyond 1992. The program represents an important opportunity for California to integrate a large number of previously-undocumented immigrants into the fabric of the State's educational system and economy. This population, newly emerging from the shadows, has tremendous educational needs, and its levels of literacy and English language skills will have significant impact upon California's economy for decades to come. To the degree we are successful in educating our newcomers and providing them with the language, citizenship, and basic skills they need, we will have increased their abilities to contribute socially, culturally, and economically to our State. To the degree we are able to utilize this opportunity to ensure that large numbers of them

become legalized, we will have moved California forward towards becoming a workable, working democratic society.

2 Need for Educational Services

ELIGIBLE legalized aliens need educational services for a variety of reasons. Some need them in order to fulfill the requirements imposed by the Immigration and Naturalization Service to obtain permanent residency status; others need coursework to gain the English language fluency and literacy skills necessary to function productively and fully in American society; still others desire vocational training, courses leading to a general equivalency diploma (GED), classwork leading to citizenship requirements, or general education. Defining the "need" for educational services requires answering the question, "educational services for what purpose?"

Federal laws and regulations governing State Legalization Impact Assistance Grant funds, as well as State language in developing the program, express several concerns: both meeting the immediate needs of those requiring courses in order to complete the second phase of amnesty, and opening the doors of educational opportunity in general to a population that has been living in the shadows for years. The State education plan articulates dual goals:

> (1) To help eligible legalized aliens meet the requirements for attaining permanent residency status, including basic literacy, knowledge of the English language, and understanding of the history and government of the United States;
>
> (2) To make available to eligible legalized aliens education and training that will enable them to succeed in school, become more employable, and otherwise realize their full potential as citizens of the United States.

While these goals speak to two distinct and different needs as illustrated in Display 1 on page 14, it is difficult to measure precisely the population of those who require educational services in order to adjust, and the population of those who need services in order to function fully in an English-speaking society.

Initial policy and program planning were based upon rough estimates of how many people might apply for amnesty, how many might be approved, their educational levels and needs, and the exact skill and knowledge levels that the Immigration and Naturalization Service would require for their adjustment to permanent residency status (see discussion of assumptions in Part Five, "The State Role: Policy and Coordination"). While there is still uncertainty about some of these issues, we now get a clearer picture of need.

DISPLAY 1 *Two Types of Educational Need: Pre-1982 Immigrants and Seasonal Agricultural Workers*

	Pre-1982 Immigrants	Seasonal Agricultural Workers
Required to demonstrate proficiency in English and U.S. civics *or* enroll in courses leading to these proficiencies	•	
Allowable but optional involvement in educational services	•	•

Source: California Tomorrow.

Eligible Legalized Aliens in California

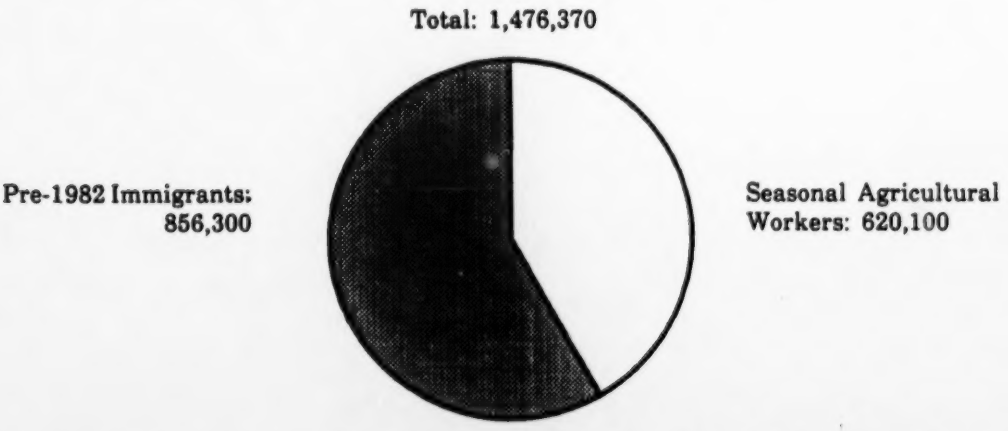
We now know the total number of eligible legalized aliens as well as the number who are of age to utilize adult education services in the State. As of January 27, 1989, there were 1,416,148 applications for eligible legalized aliens in California already entered in the Immigration and Naturalization Service Central Legalization Application Processing System data base. The Immigration and Naturalization Service projects that applications currently on file but not yet entered into the data base will bring these totals to approximately 1.66 million eligible legalized aliens in California, of which 691,500 will be seasonal agricultural workers and 967,000 pre-82 immigrants.

For purposes of estimating the utilization and need for adult education services, we have isolated those who are between the ages of 16 and 64 (the age range required by the Immigration and Naturalization Service to demonstrate educational progress or proficiency). Eight percent of California's pre-82 immigrants and 4 percent of seasonal agricultural workers are either under age 16 or over 64. In addition, we have further reduced the number to account for denials of applications after review. According to the Immigration and Naturalization Service, as of January 1989 approval rates were running 97.2 percent for pre-82 immigrants and 93.9 percent for seasonal agricultural workers. This leaves 1,476,370 who are eligible for adult education services under the State Legalization Impact Assistance Grants Program (Display 2, page 15).

The numbers reported herein are *higher* than previous estimates utilized by planners in California reflecting largely the large number of seasonal agricultural workers applying for amnesty as late as December 1988. For example, the 1989-90 Governor's Budget, based on Immigration and Naturalization Service data provided months earlier than data utilized in this report, estimated only 1.3 million eligible legalized aliens as compared to the 1.66 million that the Immigration and Naturalization Service now reports.

The amnesty population is 63 percent male and 37 percent female. Educational

DISPLAY 2 Estimated Number of Eligible Legalized Aliens in California Aged 16-64



Note: Adjudicated approval and denial rates utilized in this formula are actual rates to date (97.2 percent for pre-1982 immigrants and 93.9 percent for seasonal agricultural workers). These rates reflect 75 percent of "pre-1982" applications adjudicated and only 27 percent of seasonal agricultural worker applications. There is reason to expect that denial rates will rise, particularly among seasonal agricultural worker applicants, over the next six-month period. Unofficial estimates of these expected denial rates are as high as 50 percent. Richard Epstein of the Department of Health and Welfare suggests a 25 percent denial rate as a working figure for projections. Applying this higher denial rate would lower the number of seasonal agricultural workers by 94,000 to 526,000 (see Appendix A).

Source: California Tomorrow.

backgrounds and needs, as well as utilization patterns of educational services, are different for men and women.

The vast majority of California's eligible legalized aliens are from Mexico and Central America. Eighty-two percent are from Mexico, 8 percent from El Salvador, and 2 percent from other Central American nations. The other 8 percent represent dozens of different nations and language groups. Less than 1 percent come from English-speaking nations.

While eligible legalized aliens affect most of California's counties, the heavy impact is on just a few. Close to half (46 percent) reside in Los Angeles County alone, but 20 counties house over 10,000 each. Display 3 on pages 16 and 17 shows the distribution of eligible legalized alien applicants, aged 16-64, by county.

Educational Needs

Educational needs are expected to be great. Early indications are that most amnesty applicants are not proficient in English. National demographic research estimates that approximately 77 percent either have no proficiency or limited profi-

DISPLAY 3 *Projected Eligible Legalized Aliens in California Aged 16-64 by County, Adjusted to Include Unprocessed Applications and Approval Rates After Adjudication*

County	Pre-1982 Immigrants	Seasonal Agricultural Workers	Total Eligible Legalized Aliens
Alameda	9,513	4,560	14,073
Alpine	2	2	4
Amador	24	105	129
Butte	509	2,827	3,336
Calaveras	22	42	64
Colusa	267	2,714	2,981
Contra Costa	3,907	4,029	7,936
Del Norte	65	213	278
El Dorado	730	861	1,591
Fresno	11,790	38,880	50,670
Glenn	327	1,844	2,171
Humboldt	154	256	410
Imperial	1,604	33,647	35,251
Inyo	86	64	150
Kern	6,980	29,553	36,533
Kings	1,804	4,820	6,624
Lake	177	1,208	1,385
Lassen	21	465	486
Los Angeles	562,298	112,985	675,283
Madera	1,614	6,215	7,829
Marin	1,154	611	1,765
Mariposa	13	42	55
Mendocino	603	2,164	2,767
Merced	3,481	11,949	15,430
Modoc	43	60	103
Mono	106	92	198
Monterey	5,805	26,866	32,671
Napa	692	2,836	3,528
Nevada	97	120	217

(continued)

ciency in English -- meaning they have little or no ability to understand, speak, read, or write English. Inadequate English serves, for the majority, as a primary obstacle to integration into American life and culture. Moreover, significant numbers of eligible legalized aliens are not literate in their own language. The same national demographic study estimates that as many as 30 percent face the prob-

DISPLAY 3 (continued)

County	Pre-1982 Immigrants	Seasonal Agricultural Workers	Total Eligible Legalized Aliens
Orange	79,726	31,733	111,459
Placer	419	640	1,059
Plumas	28	59	87
Riverside	18,366	36,844	55,210
Sacramento	3,014	4,998	8,012
San Benito	880	3,133	4,013
San Bernardino	22,023	12,676	34,699
San Diego	34,541	62,103	96,644
San Francisco	10,111	2,076	12,187
San Joaquin	3,555	21,519	25,074
San Luis Obispo	737	6,860	7,597
San Mateo	9,407	5,318	14,725
Santa Barbara	5,660	25,526	31,186
Santa Clara	24,303	16,298	40,601
Santa Cruz	4,634	20,633	25,267
Shasta	87	529	616
Sierra	7	15	22
Siskiyou	131	500	631
Solano	1,077	2,298	3,375
Sonoma	2,217	5,874	8,091
Stanislaus	3,721	12,766	16,487
Sutter	353	2,661	3,014
Tehama	318	1,993	2,311
Trinity	10	20	30
Tulare	5,991	24,297	30,288
Tuolumne	45	67	112
Ventura	10,025	23,699	33,724
Yolo	830	3,713	4,543
Yuba	171	1,221	1,392
Total	856,271	620,099	1,476,370

Source: Legalization Application Processing System and Statistical Analysis Branch, U.S. Immigration and Naturalization Service. January 27, 1989.

lem of being able to read or write their own language. They face additional handicaps in learning another language, and many take up to 30 percent longer to progress than learners who are already literate in their own language.

Because more of California's eligible legalized aliens come from Mexico than the

national sample, there is strong reason to believe that they have even greater educational needs and more limited literacy in English than the national average. Furthermore, nationally, more than half of the eligible legalized alien population (largely Mexican and Central American) fall into the category of those with from only three to six years of education in their countries of origin. So, in addition to limited English fluency, California's eligible legalized alien population may be assumed to have limited educational backgrounds as well.

These demographic studies are consistent with reports from educational providers in California serving the amnesty population. The great majority of the students enrolled in California's federally funded amnesty program are enrolled in pre-literacy courses, or the first levels of English as a second language. Thus, the vast majority of eligible legalized aliens in California may be presumed to be in need of educational services.

A Range of "Need" Estimates for Policy Planning

Given both the long-term State interests in the education of the eligible legalized alien population and the short-term concerns with assisting pre-1982 immigrants in obtaining permanent residency status, one single "need" figure is insufficient. Rather than articulate a single figure in the midst of continuing uncertainty about both need and demand, it is helpful to consider several different scenarios. However one chooses to reduce the overall number of eligible legalized aliens in California to try to account for who actually need courses and those who will utilize them, it is clear that the need is far higher than earlier anticipated. Many more of them are enrolling in courses than State planners or local providers had anticipated, and they are remaining in classes longer than expected. Thus planning only for minimal enrollment and assuming that hours in courses will be limited is unwarranted. We propose three scenarios of need:

1. An "at least" minimum need level representing only those pre-1982 immigrants (aged 16 to 64) who need educational courses in order to meet the second phase Immigration and Naturalization Service requirements for conversion to permanent residency status;
2. A more realistic, but conservative estimate of expected need/demand based on both demographic information, experience reflected in enrollments in the field thus far, and anticipating differential enrollment patterns of seasonal agricultural workers and pre-1982 immigrants; and
3. A broad figure identifying the potential universe of need/demand for educational services in California.

The following paragraphs describe these scenarios, which are depicted in Displays 4 and 5 below and on pages 20-21.

DISPLAY 4 *Three Scenarios of California's Need for Educational Services for Eligible Legalized Aliens, Using January 27, 1989, Data from the Immigration and Naturalization Service*

	Scenario 1	Scenario 2	Scenario 3
Pre-1982 immigrants aged 16-64 who need educational services in order to adjust to permanent residency status	856,271		
Expected demand for educational services		1,011,304	
Potential demand for educational services by all legalized aliens eligible under the Immigration Reform and Control Act			1,476,370

Notes: The Scenario 2 and 3 numbers may be lower if the application denial rate of seasonal agricultural workers increases. At an estimated 25 percent denial rate, Scenario 2 would total 988,000 and Scenario 3 would total 1,382,000. Scenarios for California's individual counties appear in Display 5.

Source: California Tomorrow.

Scenario 1: The Need to Satisfy Immigration and Naturalization Service Requirements

The first scenario is only concerned with eligible legalized aliens who need to enroll in courses to satisfy Immigration and Naturalization Service requirements. When the immigration reform bill was pending before Congress, debate over the merits of a legalization program proved especially intense and divisive. On the one hand, opponents of amnesty argued that immigrants who broke the law should not be rewarded with the privilege of legally living in this country. On the other hand, supporters contended that the other option -- mass deportation of millions of undocumented aliens -- was not only impractical but objectionable to America's notions of fairness and due process.

As a compromise to keep the legalization program intact, congressional supporters introduced amendments that would limit amnesty to those people who could prove a commitment to this country's principles. As a prerequisite to permanent residence, immigrants therefore had to show that they had citizenship skills -- knowledge of the English language and a general understanding of U.S. history and government. By agreeing to this compromise, supporters of amnesty required immigrants to meet a standard usually reserved for people applying for citizenship. However, to ensure that these requirements were not insurmountable, Congress exempted agricultural workers and gave others two options to sat-

DISPLAY 5 *Three Scenarios of California Counties' Need for Educational Services for Eligible Legalized Aliens, Using January 27, 1989, Data from the Immigration and Naturalization Service*

	Scenario 1	Scenario 2	Scenario 3
Alameda	9,513	10,653	14,073
Alpine	2	3	4
Amador	24	50	129
Butte	509	1,216	3,336
Calaveras	22	33	64
Colusa	267	946	2,981
Contra Costa	3,907	4,914	7,936
Del Norte	65	118	278
El Dorado	730	945	1,591
Fresno	11,790	21,510	50,670
Glenn	327	788	2,171
Humboldt	154	218	410
Imperial	1,604	10,016	35,251
Inyo	86	102	150
Kern	6,980	14,368	36,533
Kings	1,804	3,009	6,624
Lake	177	479	1,385
Lassen	21	137	486
Los Angeles	562,298	590,544	675,283
Madera	1,614	3,168	7,829
Marin	1,154	1,307	1,765
Mariposa	13	24	55
Mendocino	603	1,144	2,767
Merced	3,481	6,468	15,430
Modoc	43	58	103
Mono	106	129	198
Monterey	5,805	12,522	32,671
Napa	692	1,401	3,528
Nevada	97	127	217
Orange	79,726	87,659	111,459

(continued)

isfy eligibility criteria: (1) take a naturalization examination or (2) enroll in a course of study.

As regulations were promulgated to implement the Act, the Immigration and Naturalization Service expanded these options and eliminated other groups of immigrants from the citizenship requirements.

DISPLAY 5 (Continued)

	Scenario 1	Scenario 2	Scenario 3
Placer	419	579	1,059
Plumas	28	43	87
Riverside	18,366	27,577	55,210
Sacramento	3,014	4,264	8,012
San Benito	880	1,663	4,013
San Bernardino	22,023	25,192	34,699
San Diego	34,541	50,067	96,644
San Francisco	10,111	10,630	12,187
San Luis Obispo	737	2,452	7,597
San Mateo	9,407	10,737	14,725
Santa Barbara	5,660	12,042	31,186
Santa Clara	24,303	28,378	40,601
Santa Cruz	4,634	9,792	25,267
Shasta	87	219	616
Sierra	7	11	22
Siskiyou	131	256	631
Solano	1,077	1,652	3,375
Sonoma	2,217	3,686	8,091
Stanislaus	3,721	6,913	16,487
Sutter	353	1,018	3,014
Tehama	318	816	2,311
Trinity	10	15	30
Tulare	5,991	12,065	30,288
Tuolumne	45	62	112
Ventura	10,025	15,950	33,724
Yolo	830	1,758	4,543
Yuba	171	476	1,392
Total	856,271	1,011,304	1,476,370

Note: As mentioned in Display 4, the Scenario 2 and 3 numbers may be lower if the application denial rate of seasonal agricultural workers increases. At an estimated 25 percent denial rate, Scenario 2 for California would total 988,000 and Scenario 3 would total 1,382,000.

Source: California Tomorrow.

Only pre-1982 immigrants, aged 16-64, face the citizenship requirement for adjustment to permanent residency status. It has been difficult for policy planners and the eligible legalized alien population alike to determine how many of the 856,300 in California will need educational services in order to pass the Immigration and Naturalization Service test or may have other options for fulfilling re-

quirements. This confusion has been caused by unclear and changing Immigration and Naturalization Service regulations, delays in instituting its test, and lack of information about the level of knowledge of civics or of fluency in English that will be required to pass the test. The 1986 Act allowed for either demonstrated proficiency or satisfactory pursuit of a course leading to proficiency in the English language and knowledge of U.S. history and government. A May 20, 1988, preliminary working draft of Immigration and Naturalization Service regulations announced that certificates of "satisfactory pursuit" could be issued after 30 hours' attendance in a 60-hour course. On August 8, 1988, the proposed regulations changed the requirement for obtaining the certificate to 30 hours of a 100-hour course and presented new options for fulfilling the requirement. And on November 7, 1988, its interim regulations changed that requirement to 40 hours of a 60-hour course.

These changing emphases on exact numbers of hours reflected conflicting concerns about the educational worth of such a short period of enrollment versus removing barriers to permanent residency status. The emphasis, however, became shifted from proficiency to attendance. Given the continuing lack of information about the Immigration and Naturalization Service test, the most reasonable way for many eligible legalized aliens to proceed was to enroll in courses to obtain the certificate of satisfactory pursuit. Thirty or 40 hours of instruction are understood by policy makers and educators alike as not even a scratch on the surface of the real educational needs of eligible legalized aliens. Educational providers and policy planners became enmeshed in attempts to achieve the different goals of providing the means necessary for them to satisfy the Immigration and Naturalization Service requirements, and concerns for increasing their educational level. Providers and eligible legalized aliens alike are uncertain who "needs" to enroll in courses, and planners have become confused about what is meant by "need" for the educational services.

The reality is that many eligible legalized aliens who may fall outside of more restrictive and limited definitions of "need" *believe* they need to take the courses and are enrolling. In spite of the fact that they may be somewhat proficient in English or have access to other means of learning civics and history, they want to be safe. Taking a class seems the safest assurance of satisfying Immigration and Naturalization Service requirements -- and safety is a form of need.

As new information about the Immigration and Naturalization Service test is released and the eligible legalized alien population gains some experience with the test, these concerns may abate. Until that point, however, the State is safest in assuming that close to all of its pre-1982 immigrants will need to enroll in courses.

Consistent with the State's intent to encourage all eligible aliens to apply for legal status and complete the amnesty process, we have defined this need somewhat generously. To allow for the full number of people who are likely to need educa-

tional services for adjustment to permanent residency status, the State needs to plan for enrolling 856,300 pre-1982 immigrants.

No further information is now available to justify a reduction in this estimate of need. By late Spring 1989, however, after the Immigration and Naturalization Service test has been released and after a first preliminary report of data from the Comprehensive Adult Student Assessment System is available, clearer estimates of need may be articulated and a new projection will be in order.

Scenario 2: A Realistic Estimate of Need Beyond Immigration and Naturalization Service Requirements

This second scenario reflects likely need and demand for educational services for eligible legalized aliens, aged 16-64, based on demographic descriptions of the educational levels of eligible legalized aliens and their enrollment thus far. The true educational needs of the amnesty population extend far beyond the minimum Immigration and Naturalization Service requirements, and to seasonal agricultural workers as well as pre-1982 immigrants. A large population of eligible legalized aliens are enrolling in courses not because they are required to do so but out of recognized educational need and choice. Some may have come originally to meet the Immigration and Naturalization Service requirements and then stay on out of excitement about learning English. Others come with friends or family who "need" the courses and find themselves benefiting tremendously as well. Still others enroll just because for the first time they feel free to avail themselves of educational opportunity -- to learn English, to apply for citizenship, to develop their basic skills.

Not only are many more enrolling; once they enroll they are staying longer than any of the original planners envisioned. This education-hungry population is wonderful news for California -- but it is difficult to plan for. No one yet knows fully to what degree the eligible legalized alien population will enroll, how long they will stay, or what their long-term impact will be on adult education in this State. What we do know is that the long-term interests of the State will be served best by educated eligible legalized aliens.

Assuming that experiences in the field now reflect ongoing patterns, this second scenario assumes the full number of pre-1982 immigrants utilized in the first scenario and adds 25 percent (a *conservative* estimate) of seasonal agricultural workers who may enroll -- resulting in a figure of 1 million eligible legalized aliens.

Scenario 3: A High Figure for Potential Need/Demand

Finally, a third possibility must be considered. With so little known about the amnesty population in terms of their educational behavior, and with the situation

still changing, totally restricting State planning efforts to the conservative expected number is highly problematic. It is too early to gauge clearly the re-enrollment patterns of eligible legalized aliens, the effects of implementation of Immigration and Naturalization Service testing, the impact on eligible legalized aliens of the approach of their second-stage amnesty deadline, or the degree to which eligible legalized aliens will avail themselves of educational opportunity. In spite of the fact that it is highly unlikely that all eligible legalized aliens will choose to take advantage of educational opportunities under the State Legalization Impact Assistance Grants Program, California needs to consider that *all* 1.5 million of them could *potentially* avail themselves of educational services under it.

Summary

Approximately 1.66 million estimated eligible legalized aliens in California are approved for the second phase of amnesty. Of these, 1.5 million are between the ages of 16 and 64 and are eligible to avail themselves of educational opportunity under the State Legalization Impact Assistance Grants Program. They are most heavily concentrated in Los Angeles County, where 46 percent of the State's total eligible legalized alien population resides, followed by Orange County, but 20 counties have over 10,000 each.

The eligible legalized alien population as a whole has very limited schooling and English-speaking proficiency -- signifying very high potential need for educational services. There is no definitive information to date on the rates at which eligible legalized aliens will avail themselves of the opportunity to enroll in educational courses, although research shows much higher-than-anticipated enrollment rates. Continuing lack of clarity about levels of proficiency required by the Immigration and Naturalization Service for adjustment to permanent residency status makes pinpointing exact need figures difficult.

For planning purposes, we have proposed three levels of need for the State to consider. The first is an estimate of the numbers who need to enroll in educational courses in order to satisfy Immigration and Naturalization Service requirements for adjustment to permanent residency status. This figure is 856,300 pre-1982 immigrants. The second and more realistic estimate of need/demand is 1.0 million. The third -- a high universe of potential demand -- is 1.5 million.

3 Supply of Educational Services

IDEALLY, California would have sufficient educational services to meet the need of all pre-1982 immigrants who require them for adjusting their status to permanent resident aliens under the 1986 Immigration Reform and Control Act as well as all eligible legalized aliens who wish to take advantage of the opportunity to gain the skills and English language fluency for a more successful adjustment to American culture and life. But the unexpectedly high level of need and demand for these courses, coming in the midst of an existing explosion of demand for instruction in English as a second language, have taxed even the most prepared, committed, and willing providers of education. One year into the State Legalization Impact Assistance Grants Program in most areas of the State, many providers are just now beginning to gear up in response.

The staffs of State agencies and providers involved in implementing the 1986 Act are overwhelmed by the intensity of demand and the need to move quickly. In some areas of the State, there is near-panic among the amnesty population who are afraid they will be unable to get into needed classes and who face waiting lists for many programs. The overall result is a shortfall of educational services in most areas of the State -- a shortfall critical enough to necessitate a new level of policy planning, monitoring, and program review.

The advent of the Immigration Reform and Control Act came in the midst of an already-existing exploding demand for instruction in English as a second language. California has over 5.3 million foreign born. The immigration waves of the past decade have had a tremendous impact on all facets of life in California, including the educational system. In the past decade, the demand for English as a second language courses has escalated in both adult education and community colleges throughout the State. These courses account for their single largest category of instruction -- representing in 1986-87 about 40 percent of adult education average daily attendance and about 38 percent of community college non-credit average daily attendance. In just one year it grew by 27 percent in the adult schools and by 25 percent in the community colleges.

The Immigration Reform and Control Act and its legalization process generated a demand for additional program growth. A substantial portion of California's eligible legalized aliens face Immigration and Naturalization Service requirements that they need to fulfill by enrolling in educational programs. Most providers of educational services under the Act already had citizenship and English as a second language programs in operation at the beginning of the amnesty program. According to a survey of these providers conducted for this report, only 32 percent did not have operative programs prior to their involvement in the State program,

but for all programs -- new or existing -- the Act has required rapid and demanding efforts to create additional capacity.

In spite of the fact that the clock was already ticking for those pre-1982 immigrants who have a limited time to meet the requirements for adjustment to permanent residency, the federal and State systems responsible for shaping and implementing the Act had difficulty moving quickly. Most early attempts to estimate the number of eligible legalized aliens who would make use of educational services were off the mark. The lack of information at that time -- even about how many would apply for amnesty, much less about the educational requirements that the Immigration and Naturalization Service would institute -- made planning very difficult. Delays in developing a State plan and processes whereby providers could apply for program approval also contributed to a slow start-up in the field.

Information changed frequently about Immigration and Naturalization Service requirements and State Department of Education regulations and procedures governing funding, reimbursement levels, and program guidelines.

Nonetheless, many providers *did* move forward. By the end of the 1987-88 school year, SLIAG-funded programs existed in only a small number of the State's 58 counties. Now, 35 counties that account for 1.4 million of California's 1.5 million adult eligible legalized aliens are served by SLIAG-funded programs.

Types of Educational Service Providers

Three basic types of providers are involved in offering educational services to eligible legalized aliens: (1) adult schools, (2) community colleges, and (3) community-based organizations. The State's network of potential providers of educational services to eligible legalized aliens includes at least 449 providers (Display 6, page 27).

Eligible legalized aliens are being served in the following institutions as part of the SLIAG program:

Adult Schools	76%
Community Colleges	11%
Community-Based Organizations	13%

Clearly, adult education is the system providing the majority of the services, but both community colleges and community-based organizations are playing significant roles in the implementation of the amnesty program. There are also indications from enrollment data that these different types of institutions may be reaching different populations of eligible legalized aliens.

DISPLAY 6 *Providers Currently Offering Citizenship or English as a Second Language Programs in California*

Provider	In the State Legalization Impact Assistance Grants Program	Not in the State Legalization Impact Assistance Grants Program	Total
Adult Schools	119	115	234
Community Colleges	47	19	66
Community-Based Organizations	118	31	149
Total	284	165	449

Note: The 234 adult schools and 66 community colleges considered providers are comprised of all those that already offer citizenship or English as a second language programs in counties with eligible legalized aliens. The 149 community-based organizations are undoubtedly an undercount, since they constitute only those involved in the legalization process for eligible legalized aliens that also offer citizenship or English as a second language courses and could be identified through active Coalition or Immigration and Naturalization Service approval lists for the State Legalization Impact Assistance Grants Program. Each provider was only counted once, even when it operates multiple sites.

Source: California Tomorrow.

Based on provider surveys and applications submitted to the State Department of Education under the state grants program, 503,000 eligible legalized aliens are being served by institutions funded through the program in 1988-89. Yet 25 counties that account for 28,288 of the State's eligible legalized aliens are *not* served by any funded program. Some are served by providers that have not applied to be part of the SLIAG program, and an estimated 9,000 eligible legalized aliens are currently being helped by these providers.

Most providers were unprepared for the extent of the demand for classes. The actual number they now project themselves serving during 1988-89 is, on an average, 20 percent greater than what they estimated in their original applications to the State Department of Education. Some providers, however -- particularly community-based organizations -- have served fewer students than they might have been able to, due to start-up problems, difficulties with the approval, allocation and reimbursement process, and cash-flow problems. Comparison of anticipated levels of service provided on applications to the State Department of Education with actual levels of service reported in this research effort illustrate this differential (Display 7, page 28).

We have utilized three figures to estimate the capacity of these existing providers over the three years that correspond to the period in which pre-1982 immigrants must fulfill their second phase requirements: (1) the number actually served in 1987-88, (2) the number now projected to be served in 1988-89, and (3) the number that providers anticipate serving in 1989-90. Display 8 on pages 30 and 31 shows the capacity over the three-year period of SLIAG-funded providers, which assumes that they have the capacity to duplicate their 1988-89 enrollment, plus a total ca-

DISPLAY 7 Percentage Increase in Numbers of Eligible Legalized Aliens Actually Served in 1988-89, Compared to Original State Department of Education Applications

Provider	Increase
Adult Schools	25%
Community Colleges	24%
Community-Based Organizations	5%
Average	20%

Source: California Tomorrow.

pacity figure that includes non-SLIAG providers known to be currently involved in amnesty services.

The current projected supply of courses must be seen as a fluid number -- a product of the interplay of several factors that change over time, including levels of student demand, availability of qualified teachers, availability of space, administrative capacity, adequacy of the funding levels and process, and institutional commitment or interest. Nonetheless, the best estimate at this point is that over the three-year period from 1987-1990, the current SLIAG provider system in California has the capacity to provide 1,082,000 slots. An additional capacity of at least 18,000 additional slots exists outside of this system.

Location of Courses

Are the available courses offered where they are needed? Overall statewide figures for both Scenarios 1 and 2 presented in Part Two show no shortfall of educational services in matching the need for services with the supply, but problems exist at the county and local levels. As Display 9 on pages 32 and 33 shows, even if all existing slots were reserved and utilized *only* by pre-1982 immigrants (Scenario 1), 37 counties would not have sufficient courses to ensure the target population the opportunity to adjust to permanent residency status. At the conservative expected level of need and demand (Scenario 2), 48 counties are expected to show shortfalls, as Display 10 on pages 34 and 35 illustrates. Only 10 counties show sufficient capacity to meet the expected need of that scenario. One of these is Los Angeles County, where the overall supply appears more than sufficient; but distribution of services throughout the county is uneven, resulting in many of its suburban cities (representing over 20 percent of California's pre-1982 immigrants) showing a shortfall (Background Paper 9, National Association of Latin Elected

Officials). The problem is compounded for those eligible legalized aliens living in counties with *no* SLIAG providers.

Display 11 on page 36 depicts the extent of this problem. Like the other displays in this section, it is based on the assumption that each enrollment slot equals one student. It does not adequately take into consideration re-enrollment and continuing education, nor does it answer whether those pre-1982 immigrants who need the courses for adjustment to permanent residency status are in fact receiving them. As a result, a fuller examination of utilization patterns is necessary.

Course Availability for Pre-1982 Immigrants

California's plan under the State Legalization Impact Assistance Grants Program specifies a priority for providing pre-1982 immigrants with the educational services needed to satisfy Immigration and Naturalization Service requirements, and a targeting of services for those with the greatest educational need -- below level 215 on the Comprehensive Adult Student Assessment System (CASAS). However, in reality, the problem of prioritizing students defy this intent. Only 6 percent of providers report that they have a means of giving priority enrollment to pre-1982 immigrants, and 76 percent say they have no mechanism for distinguishing these eligible legalized aliens from seasonal agricultural workers, although the CASAS assessment instrument specifies a distinction between these two groups. A significant number of providers actively argue against making such prioritization, believing it is their mission to serve applicants on a first-come, first-served basis, and expressing discomfort about turning away people who want to learn. In addition, many public education providers are under the impression that applicable federal, State, or local regulations prohibit them from giving some groups priority enrollment. A marked distinction occurs between these providers and community-based organizations, 44 percent of whom set priorities and give first-place enrollments to those who are pre-1982 immigrants.

The issue of prioritization becomes particularly critical in underserved areas and in cases where enrollment is at the maximum and people are being turned away. Over 60 percent of providers have had to institute waiting lists because enrollment is full, indicating an inability or unwillingness to expand their programs further at this point to meet demand. These providers include 68 percent of the participating community-based organizations, 50 percent of the community colleges, and 53 percent of the adult schools.

Because enrollment data at the time of this research generally did not distinguish between pre-1982 immigrants and seasonal agricultural workers, and because so many providers do not prioritize enrollment, it has been difficult to assess what

DISPLAY 8 *Capacity of Program and Non-Program Providers to Supply Educational Services to Eligible Legalized Aliens Between 1987 and 1990, by County*

County	Capacity of SLIAG Program Providers	Capacity of SLIAG Program Providers Plus Known Non-SLIAG Program Providers of Amnesty Educational Programs
Alameda	9,268	9,898
Alpine	0	0
Amador	0	0
Butte	0	162
Calaveras	0	0
Colusa	70	70
Contra Costa	7,826	7,826
Del Norte	0	0
El Dorado	0	200
Fresno	16,868	17,468
Glenn	0	0
Humboldt	0	100
Imperial	8,822	8,822
Inyo	0	0
Kern	6,930	8,634
Kings	1,100	1,100
Lake	0	0
Lassen	0	0
Los Angeles	874,354	876,362
Madera	1,600	1,600
Marin	1,300	1,300
Mariposa	0	0
Mendocino	178	476
Merced	6,010	6,110
Modoc	0	0
Mono	0	0
Monterey	4,373	4,573
Napa	890	890
Nevada	0	92

(continued)

percentage of the available class seats are being utilized by the pre-1982 immigrants who require the courses for adjustment to permanent residency status. Once certificates of satisfactory pursuit or completion are made available by the Immigration and Naturalization Service and begin to be issued, records of those

DISPLAY 8 (Continued)

County	Capacity of SLIAG Program Providers	Capacity of SLIAG Program Providers Plus Known Non-SLIAG Program Providers of Amnesty Educational Programs
Orange	96,109	98,709
Placer	0	48
Plumas	0	0
Riverside	10,896	13,182
Sacramento	4,200	4,200
San Benito	600	600
San Bernardino	11,030	11,780
San Diego	45,883	47,643
San Francisco	22,274	22,274
San Joaquin	6,500	6,500
San Luis Obispo	0	10
San Mateo	2,192	2,642
Santa Barbara	1,600	1,600
Santa Clara	54,903	55,883
Santa Cruz	3,351	3,351
Shasta	0	800
Sierra	0	0
Siskiyou	0	2
Solano	1,190	1,874
Sonoma	13,233	13,233
Stanislaus	150	1,098
Sutter	0	0
Tehama	60	60
Trinity	0	0
Tulare	25,623	25,787
Tuolumne	0	0
Ventura	9,848	10,264
Yolo	0	220
Yuba	912	912

Source: California Tomorrow survey and State Department of Education files.

issuances will be an important indication of the degree to which educational services are being utilized by this high-priority population.

Of those providers who offered estimates of the number of pre-1982 immigrants compared to the total number of eligible legalized aliens enrolled in their amnesty preparation programs, 75 percent believe that these immigrants make up be-

DISPLAY 9 *Adequacy of Educational Services Capacity for Only Those Eligible Legalized Aliens Who Need Services for Adjustment to Permanent Resident Status (Scenario 1), with Counties of Particular Numerical Concern Printed in Bold*

County	Need	Capacity	Difference
Alameda	9,513	9,898	385
Alpine	2	0	-2
Amador	24	0	-24
Butte	509	162	-347
Calaveras	22	0	-22
Colusa	267	70	-197
Contra Costa	3,907	7,826	3,919
Del Norte	65	0	-65
El Dorado	730	200	-530
Fresno	11,790	17,468	5,678
Glenn	327	0	-327
Humboldt	154	100	-54
Imperial	1,604	8,822	7,218
Inyo	86	0	-86
Kern	6,980	8,634	1,654
Kings	1,804	1,100	-704
Lake	177	0	-177
Lassen	21	0	-21
Los Angeles	562,298	708,058	145,760
Madera	1,614	1,600	-14
Marin	1,154	1,300	146
Mariposa	13	0	-13
Mendocino	603	476	-127
Merced	3,481	6,110	2,629
Modoc	43	0	-43
Mono	106	0	-106
Monterey	**5,805**	**4,573**	**-1,232**
Napa	692	890	198
Nevada	97	92	-5

(continued)

tween 90 and 95 percent of their enrollment, while only 7 percent believe that they constitute 50 percent or fewer of their enrollment.

The picture of who is enrolling in the available courses is clouded by enrollment of both seasonal agricultural workers and other non-eligible legalized aliens. Parents enroll in a course, and so does the teenager who drives them -- in spite of the fact that the teenager is not an eligible legalized alien. Friends accompany

DISPLAY 9 (Continued)

County	Need	Capacity	Difference
Orange	79,726	98,709	18,983
Placer	419	48	-371
Plumas	28	0	-28
Riverside	18,366	13,182	-5,184
Sacramento	3,014	4,200	1,186
San Benito	880	600	-280
San Bernardino	22,023	11,780	-10,243
San Diego	34,541	47,643	13,102
San Francisco	10,111	22,274	12,163
San Joaquin	3,555	6,500	2,945
San Luis Obispo	737	10	-727
San Mateo	9,407	2,642	-6,765
Santa Barbara	5,660	1,600	-4,060
Santa Clara	24,303	55,883	31,580
Santa Cruz	4,634	3,351	-1,283
Shasta	87	800	713
Sierra	7	0	-7
Siskiyou	131	2	-129
Solano	1,077	1,874	797
Sonoma	2,217	13,233	11,016
Stanislaus	3,721	1,098	-2,623
Sutter	353	0	-353
Tehama	318	60	-258
Trinity	10	0	-10
Tulare	5,991	25,787	19,796
Tuolumne	45	0	-45
Ventura	10,025	10,264	239
Yolo	830	220	-610
Yuba	171	912	741

Source: California Tomorrow survey and State Department of Education files.

friends and join them in enrolling. It is simply not accurate to assume that the number of amnesty-preparation, citizenship, or eligible legalized alien course slots utilized bears a direct relationship to access for pre-1982 immigrants. Ongoing monitoring of how many of these immigrants are making it through the system will be critical for assessing the adequacy of current enrollment policies and levels.

DISPLAY 10 *Adequacy of Educational Services Capacity for Expected Level of Need (Scenario 2), with Counties Ranked by Percent of Unmet Need and Those of Particular Numerical Concern Printed in Bold*

County	Need	Capacity	Difference	Percent of Unmet Need
Shasta	219	800	+581	-265%
Sonoma	3,686	13,233	+9,547	-259
Tulare	12,065	25,787	+13,722	-114
San Francisco	10,630	22,274	+11,644	-110
Santa Clara	28,378	55,883	+27,505	-97
Yuba	476	912	+436	-91
Contra Costa	4,914	7,826	+2,912	-59
Los Angeles	590,544	708,058	+117,514	-20
Solano	1,652	1,874	+222	-13
Orange	87,659	98,709	+11,050	-13
Marin	1,307	1,300	-7	1
Sacramento	4,264	4,200	-64	1
San Diego	50,067	47,643	-2,424	5
Merced	6,468	6,110	-358	6
Alameda	10,653	9,898	-755	7
Imperial	10,016	8,822	-1,194	12
Fresno	21,510	17,468	-4,042	19
San Joaquin	8,935	6,500	-2,435	27
Nevada	127	92	-35	28
Ventura	15,950	10,264	-5,686	36
Napa	1,401	890	-511	36
Kern	14,368	8,634	-5,734	40
Madera	3,168	1,600	-1,568	49
Riverside	27,577	13,182	-14,395	52
San Bernardino	25,192	11,780	-13,412	53

(continued)

Length of Enrollment and Phasing of Demand

When the State Legalization Impact Assistance Grants Program began, no one was sure whether eligible legalized aliens would utilize educational services at all, would show up for courses only until they satisfied Immigration and Naturalization Service requirements, or would enroll for longer periods of time. Now adult schools average 167 hours per eligible legalized alien enrollment, although if the Los Angeles Unified School District (the single largest provider in California), is

DISPLAY 10 (Continued)

County	Need	Capacity	Difference	Percent of Unmet Need
Humboldt	218	100	-118	54
Mendocino	1,144	476	-668	58
Kings	3,009	1,100	-1,909	63
Monterey	12,522	4,573	-7,949	63
San Benito	1,663	600	-1,063	64
Santa Cruz	9,792	3,351	-6,441	66
San Mateo	10,737	2,642	-8,095	75
El Dorado	945	200	-745	79
Stanislaus	6,913	1,098	-5,815	84
Butte	1,216	162	-1,054	87
Santa Barbara	12,042	1,600	-10,442	87
Yolo	1,758	220	-1,538	87
Placer	579	48	-531	92
Colusa	946	70	-876	93
Tehama	816	60	-756	93
Siskiyou	256	2	-254	99
San Luis Obispo	2,452	10	-2,442	100
Sutter	1,018	0	-1,018	100
Glenn	788	0	-788	100
Lake	479	0	-479	100
Lassen	137	0	-138	100
Inyo	102	0	-102	100
Del Norte	118	0	-118	100
Modoc	58	0	-58	100
Amador	50	0	-50	100
Calaveras	33	0	-33	100
Mariposa	24	0	-24	100
Alpine	3	0	-3	100
Total Unmet Need			-106,382	

Source: California Tomorrow survey and State Department of Education files.

excluded, this average drops to 97. Community colleges report a 155-hour average, and community-based organizations a 116-hour average.

These long terms of enrollment are indications that eligible legalized aliens are utilizing access to the educational system not just to satisfy Immigration and Naturalization Service requirements but to pursue educational goals. However, they complicate efforts to gauge the adequacy of the capacity of the programs in California over a three-year period, since clearly many eligible legalized aliens are

DISPLAY 11 *Anticipated Adequacy of Levels of Educational Services for Expected Need Under Scenario 2*

Eligible legalized aliens in counties with apparently sufficient educational services: 738,246

Eligible legalized aliens in counties with no SLIAG providers: 10,113

Eligible legalized aliens in counties with insufficient courses according to current planned capacity: 262,937

Source: California Tomorrow.

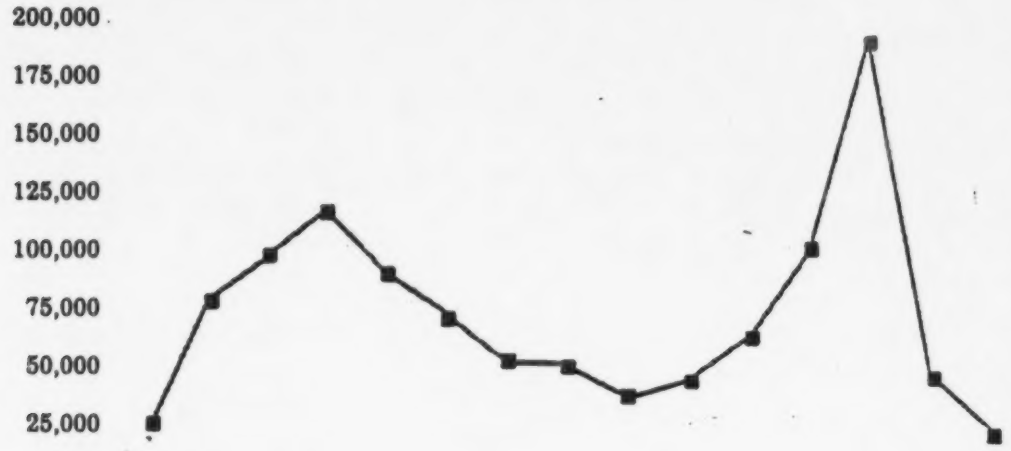
filling "slots" more than once by returning for a second year of educational services. Thus, the number of slots figured in capacity measures does not relate directly to the number of eligible legalized aliens served.

No consistent information is yet available about the phasing of demand for services, and providers are making conflicting assumptions regarding it. Forty-one percent of those who responded to California Tomorrow's survey anticipate a decline of enrollment, while 35 percent anticipate an increase. All base their projections of what will occur on estimates of student demand. The large providers consistently foresee 1988-89 as the peak year, with utilization decreasing in 1989-90. Some of them reason that there has been an initial panic, but that things will calm down once the Immigration and Naturalization Service tests, certificates, and processes are in place and people become aware of these requirements. Others believe that enrollment patterns will be phased similarly to applications for amnesty. Still others assume that need is being so adequately met that the numbers will dwindle from now on. Even in counties with tremendous shortfalls of courses, some providers anticipate a decline rather than an increase in enrollment. But these planning assumptions are being made in an absolute data vacuum.

To the degree that utilization of educational services is related to satisfying Immigration and Naturalization Service requirements and adjustment to permanent residency status, the impact of benchmark dates in the second phase of amnesty will affect educational providers. This demand will peak around November of

1990, as Display 12 below shows, and virtually end by the end of December 1990, when the second phase ends.

DISPLAY 12 Phasing of Applications Received in the Western Region by the Immigration and Naturalization Service with Second-Phase Bench Marks



Application for Phase I	May 1987	June	July	Aug	Sept	Oct	Nov	Dec	Jan 1988	Feb	Mar	Apr	May	June	July 1988
Phase II Begins	Nov 1988	Dec	Jan 1989	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan 1990
Phase II Ends	Nov 1989	Dec	Jan 1990	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan 1991

Source: Western Regional Office, Immigration and Naturalization Service

Certainly California's concern about ensuring that all pre-1982 immigrants have access to needed courses will be over by the end of 1990. However, to the extent that eligible legalized aliens are utilizing educational services beyond simply required levels, phasing of demand is more likely to snowball than to ebb. This again is an issue to be monitored. However, in determining the allocation of funds over a five-year period, sufficient flexibility will be necessary to ensure that the three-year period leading up through 1990 has adequate funding to allow for the educational needs of those requiring courses for fulfillment of Immigration and Naturalization Service requirements. Phasing only becomes a concern if funds are limited to fixed annual allotments. Yet legalization not only creates an im-

mediate demand for instruction but also another significant rise in demand five years from now, when many temporary residents will be eligible for citizenship.

Capacity to Expand the Level of Service

Given that need and demand for services go beyond the current planned capacity of providers in most counties, and the remaining uncertainties about how much further utilization there will be, it is crucial to address issues of expansion in the system. The overall capacity of the provider system to expand educational services for eligible legalized aliens can be gauged by the current levels of service, by provider estimates of how much and under what conditions they could expand if student demand warranted additional courses, and an analysis of the factors that have resulted in programs freezing their program enrollment.

Most providers have attempted to gauge the size of their programs on the level of student demand, and the majority have found themselves serving more students than they had anticipated. But the degree to which they are able to expand their programs is limited, and two critical issues facing the State are what can be done to expand the capacity of current programs and encourage the development of new ones.

Expanding Current Capacity

Expansion of current programs is hampered by several factors: inadequate funding levels and processes, administrative incapacity, lack of space and teachers, need for technical assistance and inadequate materials and curricula to address the particular educational needs of the population.

Providers cite confusing and inadequate information from the Immigration and Naturalization Service about regulations and a lack of clarity about State regulations and procedures as major problems they face in trying to develop programs for eligible legalized aliens.

But the biggest barrier by far is the funding process and levels of reimbursement (Display 13). Complaints include inadequate levels of reimbursement, inadequate allowances for what are legitimate reimbursable expenses, tremendous cash-flow problems (given a reimbursement system where reimbursements have been very slow), and lack of clarity about funding processes and regulations. All other issues pale in comparison. (For more information on these problems, see Part Six on "Funding Issues.")

- Distinct differences exist among types of providers about these perceived barriers.

DISPLAY 13 Barriers to Expansion of Services, According to Respondents to Provider Survey

Barrier	Adult Schools	Community Colleges	Community-Based Organizations
Biggest Barrier			
Funding problems	32%	31%	57%
Teacher availability	32	14	2
Space problems	20	21	15
Other problems	16	34	16
Second Biggest Barrier			
Funding problems	20	29	25
Teacher availability	20	14	12
Space problems	38	19	33
Other problems	22	38	30
Third Biggest Barrier			
Funding problems	19	12	22
Teacher availability	9	18	44
Space problems	22	24	22
Other problems	50	46	12

Source: California Tomorrow.

- Community colleges report that their biggest disincentive to expanding programs is the level of reimbursement, which is below standard reimbursement rates; but they also report difficulty in obtaining adequate space.
- Community-based organizations rate problems with State funding as their greatest barrier to program expansion, noting the slow rate of reimbursement, difficulty in communicating with the State Department of Education, and insufficient funding levels.
- Adult schools report few problems with space because they are able to utilize a wide range of district sites, but a greater problem finding qualified teachers. Among these schools, funding does not appear to be the issue that it has clearly become for both community colleges and community-based organizations.

Encouraging New Programs

Some educational providers want to be part of the State Legalization Impact As

sistance Grants Program but their applications for approval by the State Department of Education are still pending. At the end of October 1988, the Department had 113 applications for approval pending. As of late fall, the Department froze all new applications and ceased approving new providers because of an inadequate supply of program funds for 1988-89. While the pending providers' revised estimates are smaller than originally entered on their applications, they represent the ability to serve between 91,142 and 122,000 students annually. These are generally not big providers. The majority are community-based organizations. One-third are in counties with the greatest shortfall of services, while one-half are in counties with estimated adequate levels of services. Clearly, the application approval process may need to be weighted in favor of underserved counties.

Educational services for eligible legalized aliens are not restricted to State grant program providers. Although the State's intent to utilize federal funds before expending State funds is clear, in fact, 165 providers are operating programs outside of the SLIAG program. As Display 6 in Part Two showed, over one-third of the potential providers in the State are not in the program.

Our survey of non-applicant providers with ongoing programs in citizenship and English as a second language indicated that 21 percent of their enrollment are eligible legalized aliens. They expressed the intent to provide certificates of satisfactory pursuit and thus are clearly involved in the second-phase amnesty process. They are thus definitely serving the amnesty population, but prefer to do so to the degree they can within their State revenue average daily attendance funding or -- in the case of community-based organizations -- with other available operating funds. For these providers, perceived difficulties in dealing with an additional funding mechanism (and one with a reputation for being problematic) are a tremendous barrier to expanding beyond their capacity to handle the student demand within existing funding and space limitations. They prefer to use average daily attendance because it is already in place, the funds are certain, the risks are minimal, and in the case of community colleges, the reimbursement rate is higher. But they also indicate that lack of awareness of demand is also linked to their levels of service. If greater demand required significant expansion of their services, they might consider federal funding for expansion. Displays 14 and 15 on the next two pages show that a pool of potential providers exists in currently underserved counties.

Those providers surveyed for this study that are *not* considering offering amnesty programs mention three major reasons: (1) desire to avoid dealing with federal funding, (2) insufficient indication of high demand, and (3) no priority to serve this population. However, one-half of those who are not currently involved expressed a strong interest in receiving more information about both need, demand, and available funding for such courses. Some were unaware of SLIAG funds. Others mentioned they thought that other providers had taken care of the need -- even in counties where a large shortfall exists. Clear information about need, demand,

DISPLAY 14 Selected Characteristics of Counties in Which the Expected Shortfall of Services Under Scenario 2 Is More than 1,000 Eligible Legalized Aliens, Including Number of Potential Providers Currently Not Involved in the State Legalization Impact Assistance Grants Program

County	Expected Shortfall of Spaces	Percent Seasonal Agricultural Workers	Potential Providers			
			Adult Schools	Community Colleges	Community-Based Organizations	Total
Riverside	-14,395	67%	7	3	0	10
San Bernardino	-13,412	37%	2	1	0	3
Santa Barbara	-10,442	82%	2	0	0	2
San Mateo	-8,095	36%	2	0	4	6
Monterey	-7,949	82%	5	1	0	6
Santa Cruz	-6,441	82%	0	1	0	1
Stanislaus	-5,815	77%	4	2	0	6
Kern	-5,734	81%	5	2	0	7
Ventura	-5,686	70%	3	0	0	3
Fresno	-4,042	77%	7	1	0	8
San Luis Obispo	-2,442	90%	4	0	0	4
San Joaquin	-2,435	86%	4	1	1	4
San Diego	-2,424	64%	6	0	0	6
Imperial	-1,194	95%	2	0	0	2
Kings	-1,909	73%	2	0	0	2
Madera	-1,568	79%	2	0	0	2
Yolo	-1,538	82%	3	0	0	3
San Benito	-1,063	78%	0	0	0	0
Butte	-1,054	85%	2	1	0	3
Sutter	-1,018	88%	0	0	0	0

Source: California Tomorrow and California State Department of Education.

and SLIAG funds may be the key to involving these providers in providing educational services for eligible legalized aliens.

Summary

California has demonstrated a strong commitment to proceed with implementation of amnesty preparation and other educational services under the State Legalization Impact Assistance Grants Program, in spite of tremendous lack of clari-

DISPLAY 15 Number of Eligible Legalized Aliens and Potential Providers in Counties with No Current SLIAG Providers

County	Number of Eligible Legalized Aliens: Pre-1982 Immigrants	Number of Eligible Legalized Aliens: Seasonal Agricultural Workers	Number of Potential Providers: Adult Schools	Number of Potential Providers: Community Colleges	Number of Potential Providers: Community-Based Organizations	Number of Potential Providers: Total
Alpine	2	6	0	0	0	0
Amador	24	105	1	0	0	1
Butte	509	2,827	2	1	0	3
Calaveras	22	42	2	0	0	2
Del Norte	65	213	0	0	0	0
El Dorado	730	861	2	0	0	2
Glenn	327	1,844	0	0	0	0
Humboldt	154	256	2	1	0	3
Inyo	86	64	0	0	0	0
Lassen	21	465	0	0	0	0
Mariposa	13	42	0	0	0	0
Modoc	43	60	0	0	0	0
Mono	106	92	2	0	0	2
Nevada	97	120	1	0	0	1
Placer	419	640	4	1	0	5
Plumas	28	59	0	0	0	0
San Luis Obispo	737	6,860	4	0	0	4
Shasta	87	529	0	1	0	1
Sierra	7	15	0	0	0	0
Siskiyou	131	500	0	1	0	1
Trinity	10	20	0	0	0	0
Tuolumne	45	67	2	0	0	2
Yolo	830	3,713	3	0	0	3
Total	4,493	19,396	25	5	0	30

Note: These counties not only have no SLIAG providers but are not within the service area of SLIAG providers in nearby counties.

Source: California Tomorrow and California State Department of Education.

ty about Immigration and Naturalization Service regulations, State requirements, and levels of need and demand. SLIAG-funded providers could provide a projected 1,082,000 slots over the three-year period that corresponds to the second phase of the amnesty program. To do so, however, will require information, coordination, a corrected funding process, and revised levels of reimbursement. Even

this is inadequate, however. While the statewide number of available projected slots are within the ballpark of anticipated demand, it is not adequately matched to need. At the expected levels of demand, under Scenario 2, 50 of California's 58 counties are projected to have an insufficient supply of courses. The 20 counties highlighted *in Display 10 on pages 34-35 above are of particular concern due to* critical levels of shortfall, with nine counties of greatest concern -- Riverside, San Bernardino, Santa Barbara, San Mateo, Monterey, Santa Cruz, Stanislaus, Kern, and Ventura.

Given the inadequacy of current course slots, waiting lists are the norm in programs throughout the State. There are still questions to be answered as to how demand will phase itself over the years, and close monitoring will be essential to ensure an adequate supply for the need; but avenues exist for potential expansion of the provider system. Capacity can be expanded further in existing programs if certain barriers are addressed. Potential providers from counties with critical shortfalls of services can have their currently pending applications approved and significant numbers of potential providers among community colleges, adult schools, and community-based organizations that now offer English as a second language and citizenship courses can be brought into the network, if current levels and processes for funding -- as well as information about regulations, funding, and educational demand -- are improved.

4 Quality of Educational Services

CALIFORNIA'S major long-term State interest in the State Legalization Impact Assistance Grants Program is the opportunity to improve the social, political, and economic condition of eligible legalized aliens by improving their educational skills and English language proficiency. The "adequacy" of curricula and programs for them can be discussed in terms of either ensuring fulfillment of Immigration and Naturalization Service requirements or providing for their basic educational needs. Since the regulations of the Immigration and Naturalization Service are still unclear regarding needed educational levels and its test is still neither designed nor implemented, there are no ways to measure the adequacy of courses in addressing its requirements. However, since it appears that "seat time" may be sufficient to satisfy these requirements, the major concern regarding need to adjust to permanent residency status has been whether there are adequate numbers of courses and access to services.

There is significant concern that the requirements of the Immigration and Naturalization Service, which are clearly minimal in terms of education, might detract from the basic charge of appropriately educating the amnesty population. Some have voiced concern that "certificate mills" or "green card distribution centers" will become the norm rather than true educational programs. In many cases, amnesty preparation programs are designed as off-campus, short-term, and lower-cost programs than "regular" academic programs -- adding to concerns about the quality of these services.

This section of the report begins by discussing several components to be assessed in gauging the quality of services: (1) class size, (2) the backgrounds and training of teaching staff, (3) appropriateness of curriculum, (4) level of support services, and (5) mechanisms for technical assistance. It then turns to the adequacy of State support and mechanisms to implement the program.

Components of Quality

Class Size

California's State Education Plan for the State Legalization Impact Assistance Grants Program, prepared by the State Department of Education, calls for an optimal class size of 25 or less. In addition, Senate Bill 9, which was passed by the Legislature but vetoed by the Governor, involved a fiscal incentive for keeping

class sizes 25 or less. In the midst of the tremendous demand for services, however, large class sizes have significantly compromised quality. The average class size statewide is 35, and case studies and interviews with key providers indicate that this figure is low. An official of one major provider, for example, reports that it tries to keep classes smaller than 37 but is frequently unable to do so -- and that classes run as high as 75 to 100. Because the largest demand for services is at the lower levels of English as a second language, these are the courses that are more heavily enrolled and in which the class sizes are the largest.

The most consistent theme echoed by teachers in interviews for this study was the desire for smaller class sizes, especially at the lower levels of English as a second language, which would allow for more individualized instruction and attention. The demand for enrollment, coupled with inadequate reimbursement levels, make it difficult for most programs to keep class size within the recommended 25-student limit. Clearly, the educational quality of instruction is compromised by large class sizes.

The Teaching Staff

Over 6,200 teachers are involved in California's SLIAG-funded educational services for eligible legalized aliens. There is a strong commitment in State policy, as well as from the majority of providers, to hire well-qualified teachers. A reported 92 percent of the teachers have credentials, and 86 percent have previous experience:

Type of Provider	Credentials	Experience
Adult Schools	99%	87%
Community Colleges	95%	91%
Community-Based Organizations	52%	75%

On the whole, in the initial stages of the amnesty program, providers did not experience large difficulties in finding qualified teachers and were generally reluctant to relax requirements and hire unqualified teachers as a response to the heavy demand for classes. Programs were far more likely to increase class sizes, impose waiting lists, or simply turn people away. The adult schools reported the least difficulty finding teachers -- drawing them from among the large ranks of elementary and secondary school teachers. Proportionately, community-based organizations have had the most difficulty finding teachers, with no infrastructure to rely on for a supply and greater problems operating within reimbursement limits.

The majority of teachers hired for amnesty programs are drawn from the universe of bilingual and English as a second language specialists in either elementary, secondary, or adult education. Most work part-time in amnesty programs in addition to teaching full-time elsewhere. Many of those interviewed for this study

reported that a major attraction of working in the amnesty program is the joy of working with very motivated students. For example:

> I love my job. The people want to learn. They are so enthusiastic and excited by coming to class that it motivates *me*. I just love it . . . .
>
> Adult English as a second language teachers are the luckiest teachers on this earth because we teach students who really want to learn, and are so grateful for the opportunity to be in class . . . .
>
> When I first started to teach in the amnesty program, I was surprised at how very eager students were to learn the material. Not just the English -- they looked forward to the history and government studies in the class as well. They were learning about their new country . . . .

In spite of this kind of benefit for teachers, turnover is high due to the stress of holding two jobs and the difficulty of teaching night and weekend courses; and almost one-fifth of the providers reported that qualified teachers were becoming harder to find.

Community colleges in particular report that their finding qualified teachers is hampered by needing to use part-timers. The amnesty programs are restricted to hiring teachers up to 60 percent time -- a less desirable appointment for qualified teachers than full-time, and one requiring that colleges find a greater number of teachers to fill the need. As one community college administrator reported, "there is virtually no teacher turnover among the full-timers, but a great deal of turnover among our part-timers, attributed to the fatigue of teachers who work by day on one job and then teach in the amnesty program at night."

While the teachers being hired by and large have appropriate credentials and previous experience, they are often unprepared for the specific needs of the eligible legalized alien population. Once they are hired, many programs report that a great deal of staff development is necessary to help teachers adjust to the needs of the population, as well as to the specific requirements of the amnesty program. Staff development is an allowable cost under the State Legalization Impact Assistance Grants Program, and 93 percent of providers offer special staff development to their amnesty and English as a second language staff. Ninety-two percent focus these on Immigration and Naturalization Service requirements and the amnesty process; 89 percent on English as a second language; 67 percent on civics and government, and 69 percent on the culture of the amnesty population. Nonetheless, demand is high for additional staff development and technical assistance. Surveys of SLIAG providers by California Tomorrow provided open-ended room for comment or recommendations to the State. Thirty percent of the providers utilized the opportunity to underscore the tremendous need for technical assistance in this area. For instance:

> Generally, I think my background and training have been adequate for what I face in the English as a second language adult classroom, but I wish there were more in-service training that focuses on the teaching of pre-literate students, particularly methods to teach them basic academic skills. When I started to teach in the amnesty program I was surprised that the students had so little language proficiency, even those who had been here a long time. Some did not know how to hold a pencil. Some kind of in-service training on working with pre-literate students would have really helped. -- *English as a Second Language/Amnesty Preparation Teacher, Los Angeles Unified School District.*

Between 30 and 50 percent of enrollees are now estimated to be non-literate -- posing new challenges to teachers to develop new approaches, curriculum and material.

Curriculum

Generally, the state of the art in citizenship, amnesty preparation, and English as a second language is quite high in California. There is broad uniform agreement about competency-based English as a second language curricula. However, almost across the board, programs report a shortage of materials to use with pre-literate adults:

> The amnesty program has brought students into the English as a second language program from a wide range of educational backgrounds. Much wider than before. We have to be sensitive to the feelings of adult students who have very little education and who may feel very inadequate because they don't have the skills to do the work. Teachers teaching the levels of English as a second language I do in the amnesty program need a lot of pre-literate teacher training, and they need patience. But it's not just a matter of teacher training; we also need more low-level materials. -- *English as a Second Language/Amnesty Preparation Teacher, Montebello Unified School District*

Specifically, teachers report a great need for materials for use with non-literate adults in civics and government, and for those that reflect the immigrant experience and incorporate information and content relevant to immigration and to bridging cultures and nations. At this point, teachers of eligible legalized aliens who are non-literate say they are simply forced to "do the best they can in spite of inappropriate materials."

New providers who are part of the networks of information know who the long-standing and reputable providers are and go to them for assistance. But much of the new curriculum development is shared only within existing networks. Some programs have good resource centers, mechanisms for teachers to share, and re-

source specialists whose jobs are to stay on top of innovations in the field -- but others have no access to information about new developments. To the degree that the existing networks for this kind of exchange are embedded in professional education associations and the State infrastructure for community colleges and adult education, it is the community-based organizations that are left out. There is a strong expressed desire, particularly from community-based organizations, for formal mechanisms for technical assistance and professional exchange among resource teachers and program developers. This would be a useful role for the State Department of Education.

Level of Support Services

Providers report that a range of support services should be offered in order to enable eligible legalized aliens to make use of the educational system. These include child care, transportation, counseling (amnesty-related as well as educational and vocational), and orientation. Some of these are not considered allowable expenses for SLIAG reimbursement. Nevertheless, nearly 90 percent of SLIAG providers report they offer support services in addition to the academic program, including primarily educational counseling and second-phase amnesty counseling (clarifying requirements).

Eligible legalized aliens as a whole are new to the educational environments of adult education and community colleges. In addition, the sheer numbers of eligible legalized aliens arriving at the schools to register for programs require additional support staff. Program officials report that registering students who have never been in school before takes a tremendous amount of time and staff sensitivity and that a high level of need exists for adequate administrative, registration, and orientation staff, in addition to assessment service staff.

Many amnesty students experience significant difficulty in attending class. Teachers frequently comment on the exhaustion of those who work long shifts at work and then come to class, and they speak about the high levels of stress students feel regarding their ability to satisfy the second-stage requirements for permanent residency.

Most serious, however, is the lack of child care for eligible legalized alien women. Only 36 percent of the programs are able to offer child care services. Yet child care is not a reimbursable expense under the State Legalization Impact Assistance Grants Program, and in response to questions about the adequacy of SLIAG funding, 42 percent of the providers urged inclusion of child care as a reimbursable item. Students also mention child care as a major barrier to taking classes. Some bring their children with them to class, but in most cases women with young children simply do not enroll at all or attend only sporadically. Women of childbearing age -- an estimated 35 percent of the eligible legalized alien population -- are the most at-risk population for fulfilling the educational requirements to ad-

just to permanent residency status. Their educational backgrounds are generally even lower than those of men, and the lack of child care compounds their difficulty in obtaining the educational services and assistance they need.

Need for Technical Assistance

Major providers that have a history of offering citizenship and English as a second language courses and are a part of the State's regular educational system voice fairly minor concern about technical assistance. For them, the need is primarily for assistance in gearing programs to the needs of pre-literate adults. However, smaller providers, those new to the provision of citizenship and English as a second language courses, and community-based organizations all have a much greater need for assistance in program and budget planning, establishing data-keeping and monitoring systems and making applications to the State for SLIAG funding as well as program design and implementation.

Adequacy of State Support and Mechanisms to Implement the State Grants Program

Given the pressures under the Immigration Reform and Control Act to measurably expand and develop the State's educational capacity to serve eligible legalized aliens, and to do so quickly, one major concern is how adequately the State Department of Education is equipped to provide the necessary information, technical assistance, regulations, and processes for claim approval and reimbursement.

An October 9, 1987, estimate within the State Department of Education was that 11 staff positions would be required for 1987-88 to staff the SLIAG program adequately. Those 11 positions included five Education Program Consultants, two Staff Services Analysts, two Office Technicians, one Associate Governmental Program Analyst, and one Office Assistant II. However, as of October 27, 1988, the unit was relying on only four full-time-equivalent staff to perform the complex and important tasks of implementing the Act. Difficulties were cited in enticing people from State civil service lists to take short-term appointments for the unit and in moving the civil service personnel system quickly. However, the amount of planning, approval, technical assistance, and fiscal management involved in establishing, implementing and monitoring the State's education program under the Act clearly overwhelmed the understaffed unit. California's implementation of the State Legalization Impact Assistance Grants Program has been hampered by this critical understaffing of the unit.

Applications for program approval were slow in being distributed to potential providers, resulting in little leeway to develop proposals or adequately plan local programs. Some providers reported receiving information and application packets *after* the deadlines for submission.

Insufficient levels of staffing within the Department also resulted in a slow approval process. With the best intent, providers prepared to offer educational services to eligible legalized aliens as early as the Spring of 1988, and out of necessity they began operation without interim Immigration and Naturalization Service regulations, and without benefit of finalized or clear State guidelines about required documentation, reimbursable items or amounts, or information about the need and demand for services.

While these systems and procedures are being clarified, there is still considerable confusion among many providers about elements of the process and regulations. The staff of the unit have been deluged with phone calls for information from the field, and providers complain that they either cannot get through on the phone to the unit or that their calls are not returned.

Over the past eight months, rumors circulated and anxiety mounted among providers about the rates at which they would be reimbursed, about alleged agreements among State agencies regarding funding formulas, and about an anticipated State shortfall of funds that might result in programs failing to be reimbursed at all. The lack of a clear and consistent flow of information from the Department has been sorely felt in the field, where providers have responded by cutting back on services, and others have decided not to enter the SLIAG program at all. For example, one large adult education provider has put a freeze on opening any new classes in English as a second language because of uncertainty about whether adequate federal SLIAG monies would be available in California to cover claims fully. While this provider felt that the reimbursement of $500 per eligible legalized alien would be adequate to continue offering classes, it instituted the freeze based on rumors that total demand on SLIAG funds from approved providers in California would exceed the SLIAG allocation, and that providers would only receive reimbursement for a percentage of each claim.

While the majority of providers under the State grant program had operated citizenship or English as a second language programs prior to the 1986 Act, many of them report being unprepared for the specific educational levels and needs of this population. They express a strong need for technical assistance from the State Department of Education with regard to curriculum and program issues, particularly as they relate to the pre-literate adult population. In addition, those providers establishing programs for the first time have requested assistance in setting them up, training staff, and designing appropriate curricula. There have not been sufficient staff within the Department's unit to respond to these needs.

Finally, one of the major concerns cited by providers as barriers to implementing the program and providing services has been consistent and long delays in reimbursement of claims. Timely turnaround of reimbursement claims is critical to providers, particularly to avoid penalizing smaller programs that do not have the institutional capacity to cover significant cash-flow shortages. This has been the primary cause cited by those community-based organizations that originally planned to provide educational services but have had to scale back or cancel programs altogether. In addition, until this problem is resolved, both community colleges and adult education programs under their State revenue limit cap will continue to prefer to utilize State rather than federal funds to support their programs.

These responsibilities of the State Department of Education are too important to be shortchanged due to inadequate staffing levels. Because the quality of programs is being compromised, top priority should be placed on staffing the full number of positions funded for the Department and then on assessing the adequacy of these positions to meet the entire need.

Summary

The major issues in assuring appropriate and adequate quality of services are ensuring an adequate supply of courses at adequate funding levels so class sizes can be reduced; instituting a major effort to develop the necessary materials and expertise in curriculum approaches for educating non-literate immigrant adults; enabling necessary support services -- and specifically child care -- to be provided with SLIAG reimbursement; and ensuring the State Department of Education's ability to supply technical assistance, information, and support to providers.

5 The State Role: Policy and Coordination

CALIFORNIA'S eligible legalized alien population is larger than anticipated; the levels of educational need higher; and California's amnesty applicants under the Immigration Reform and Control Act are enrolling in citizenship and English as a second language classes in unprecedented and unanticipated numbers. The State must address this tremendous need and demand for educational services -- and provide the levels of support, coordination and monitoring which are essential to prevent a major failure of opportunity and maximize the benefits for California from the State Legalization Impact Assistance Grants Program.

This section of the report examines how the State arrived at the total $351 million SLIAG allocation for education, the roles played by the major State agencies, California's funding policies for educational services under the Act, and the adequacy of the current implementation effort. It also explores issues in State-level implementation and planning and their potential impact on educational services to eligible legalized aliens, first by reviewing and assessing policy assumptions made thus far for their adequacy and appropriateness to the current situation with suggestions for revisions in State plans and policy; and second by examining issues in State level planning, monitoring, and coordination.

California's Implementation of the Immigration Reform and Control Act

California's implementation of the 1986 Immigration Reform and Control Act began in earnest in the early months of 1987. The role of state governments in the Act was limited to implementation of the State Legalization Impact Assistance Grants Program (Section 204), and the federal agency charged with administering this program was the Secretary of Health and Human Services.

Display 16 on page 54 summarizes the roles played by various California State agencies in implementing the state grants program. The following paragraphs describe the work of four of these agencies that have played major roles in this implementation: (1) the State Health and Welfare Agency, (2) the State Department of Education, (3) the Chancellor's Office of the California Community Colleges, and (4) the Legislature.

DISPLAY 16 Roles of California State Government Agencies in Implementing the State Legalization Impact Assistance Grants Program of the Immigration Reform and Control Act

Agency	Role
Governor	Designated the Health and Welfare agency as California's lead agency and submits California's SLIAG application to the U.S. government.
Legislature	Reviews the Administration's SLIAG plans on an annual basis, sets policy on implementation priorities via Budget Act and oversight hearings.
Department of Finance	Prepares State budget, including schedule of funds for categories of SLIAG expenditures.
Health and Welfare Agency	Lead agency for California for SLIAG, prepares overall SLIAG plan.
Department of Social Services	Actual grantee agency for SLIAG funds, serves as California's "banker" for disbursing SLIAG funds.
Department of Education	Administers all education SLIAG dollars to adult schools, community colleges, community-based organizations, and outreach to colleges.
Chancellor's Office, California Community Colleges	Oversees quality of community college SLIAG programs.

Source: California Tomorrow.

Health and Welfare Agency

Section 204 of the Act did not explicitly designate which state agency or entity would have primary responsibility for the state grants program. In February 1987, Governor Deukmejian designated the Health and Welfare Agency as California's agency responsible for administering it.

In March 1987, the Health and Welfare Agency designated the State Department of Education as the lead education agency, and it specified the Department of Social Services within Health and Welfare as the "grantee agency" to serve as the banker for California's federal disbursements for all purposes under the program.

In mid-April of 1987, Health and Welfare Agency officials convened a working advisory committee (called the Working Advisory Group) made up of State officials, representatives of local government, immigrant agencies, welfare and immigrant rights organizations and legislative staff. The working group met bi-monthly to

assist Health and Welfare staff in developing the State plan for administering the program. On July 9, 1987, Health and Welfare representatives briefed the Governor and his Cabinet on implementation of the program in California, and their approach to its implementation was approved. This approach was based on three principles:

1. Maximizing the number of potential eligible aliens who would take advantage of amnesty;
2. Minimizing any new bureaucracy by relying on existing public and private program delivery systems; and
3. Extending the time period of program funding from three to four and three-fourths years.

Health and Welfare Agency officials prepared a budget display of the State's plan for state grants program administration for the 1988-89 Governor's Budget, which was submitted to the Legislature in January 1988.

State Department of Education

As lead education agency, the State Department of Education convened an education subcommittee of the Health and Welfare Agency's working advisory group to develop an education plan for the program. That plan, published in the spring of 1988, established some critical elements in the education services funding for the program and will be examined more fully below.

Chancellor's Office of the California Community Colleges

While the Department of Education was charged with administering program funds for adult programs in school districts, community-based organizations, and community colleges, the Chancellor of the California Community Colleges was charged with overseeing the quality of community colleges' implementation of classes funded by the program. The Chancellor's Office has also played a role in outreach to potential community college providers.

Legislature

While the State Legislature's role is not specified in the Immigration Reform and Control Act, California's Legislature plays a role in program implementation through the budget review process, oversight hearings by a joint committee, and legislation.

The Legislature became involved in the 1986 Act in the fall of 1987, when the Joint Committee on Refugee Resettlement, International Migration, and Cooper-

ative Development, chaired by Senator Art Torres (D-South Pasadena) conducted several hearings on the Act and its impact in California. On September 11 of that year, five senators -- Hart, Petris, Torres, and Watson, and Senate President Roberti -- sent a letter to the federal task force on the Act, commenting on draft state grants program regulations. Among the six major points in the letter, the senators identified the need for a more explicit role for state legislatures in the Act.

The Legislature has had a direct impact on California's implementation of the state grants program through the budget process. Federal funds are included in the State Budget, which gives the Legislature the opportunity to review administrative decisions and to set State policy over federally-funded programs. The Legislative Budget Committee reviewed and approved the administration's plan for 1987-88 State Legalization Impact Assistance Grant funds in an April 26, 1988, program change notification letter from Committee Chair William Campbell to Jesse Huff, Director of the Department of Finance.

In the Governor's Budget for 1988-89, the administration laid out its five-year plan for funds under the State Legalization Impact Assistance Grants Program by category of expenditure -- health, social welfare, and education. This plan, as well as other issues relating to the implementation of the Act, were addressed in legislative Budget Control Language in the 1988-89 State Budget (Section 23.5, Chapter 313, Statutes of 1988). That language limited the discretion of the Administration in shifting funds between health, education, and social welfare categories of expenditure without legislative approval. It specified that:

1. The administration could not develop new uses for state grants program funds in 1988-89 apart from the list submitted with the 1988-89 Budget;
2. Carry-over funds from 1987-88 could be used only within the three major categories of education, health, and social welfare; and
3. No more than $4.2 million could be transferred from health to education in the event that health and social welfare programs did not spend their full amounts under the program in 1988-89 and education overspent its allocation.

The Budget Control Language also established funding and program policy for education programs under the state grants program, including:

1. Education funds must be spent in accordance with the Education Plan developed by the State Department of Education;
2. Priority for classes is to be given to those eligible legalized aliens who scored below 215 on the Comprehensive Adult Student Assessment System;
3. Programs must use credentialed teachers or, if that is impossible, uncredentialed teachers experienced in similar programs;
4. Providers must offer staff development programs; and

5. Start-up funds for community-based organization providers are set at $62.50 per eligible legalized alien.

Finally, the language implied that further legislative oversight would be forthcoming over future expenditures under the program.

Issues in California's Organization for Implementing the Program

Two major issues are involved in the State's organization for implementing the state grants program under the Immigration Reform and Control Act: (1) its policy role, and (2) its designation of one agency to divide funds among other agencies.

The first issue concerns the Act's silence on the policy role of the State in implementing sweeping immigration reform. The Act envisions a limited role for states -- that of passing state grants program funds to local governments and executing fiscal oversight over local governments and providers of services. They have no explicit role in planning program delivery or managing the long-term impact on their economy or education system, and they have no explicit accountability for the *quality* of implementing the Act -- only for fiscal accountability.

Due in part to the silence in federal law about the state's role, California's implementation of the Act has been limited to implementation of state grant funds -- orderly disbursement of federal funds to local governments, which has been the highest priority for Health and Welfare Agency officials. The Act itself does not provide a framework for the State to confront the long-term economic and educational issues posed by the large number of new permanent resident aliens. However, those broader concerns have been present in some aspects of State planning and policy-setting.

The second issue regarding the organization of the State role is the designation of one agency (Health and Welfare Agency) to divide funds up among other agencies for various purposes. In California an elected constitutional officer -- the Superintendent of Public Instruction -- oversees the Department of Education. By placing the authority to divide education, health, and social welfare funds in an executive agency under the Governor's authority, the federal government sets the stage for governance conflict over program funds in California. That conflict did occur in the summer and fall of 1987 and continues to affect program implementation.

In their September 11, 1987, letter to the federal task force on the Act, the five State senators explained their governance concerns with implementation of the Act in California:

> California's administrative structure is patterned like the federal government's: we have a Department of Education and a Department of Health and Human Services. Our normal administrative activities relating to fed-

eral programs are conducted within the purview of each agency and we have not typically experienced jurisdictional problems in developing and implementing federal programs. Yet SLIAG funding comes to California, and to other states, in a form which necessitates that decisions about program scope and magnitude be made across agencies. It is particularly troublesome here, where we have two different Constitutional officers, the Governor and the State Superintendent of Public Instruction, responsible for developing two different facets of the SLIAG plan.

This situation would be resolved if your rules provided for a division of responsibility between the two agencies, particularly when they are headed by different constitutional officers, or, alternatively, if state Legislatures' roles in the development of state plans for SLIAG funding were defined. We are aware of no other area of federal legislation where funds must be apportioned across agencies, and yet the normal legislative/executive vehicle for apportioning funds, the budget process, is of limited use to us with this program.

To establish a forum for mediating these cross-jurisdictional developmental problems we have developed AB 2323 (Areias), which creates a State Commission on Immigration to analyze, monitor and recommend action on the responsiveness and effectiveness of the SLIAG State plan. Nevertheless, the absence of explicit roles for the legislature and executive makes it difficult for us to implement SLIAG programs.

An explicit forum for this would improve our ability to develop and offer these programs.*

The impact of this governance problem was evident in the prolonged debate among staff of the Health and Welfare Agency, the Department of Education, the legislature, and member of the working advisory group on the amount of program funds needed for education services in the summer and fall of 1987.

When the Congressional Budget Office prepared its cost estimates for the House version of the immigration act, it determined that education would make up the single largest component of costs arising from the legalization program -- an estimated $3 billion out of a total of $5 billion (House of Representatives Report 99-682, Part I). The Act set aside 10 percent of grant funds for education but allowed states to exceed this amount. The staff of the Health and Welfare Agency first proposed to allocate $175 million of the $1.75 billion (or the statutory 10 percent) for educational purposes. In contrast, the Department of Education requested between $459.2 and $530.2 million for adult education purposes in its Section 28 letter of October 1987, with the larger figure including service to seasonal agricultural workers but the lower figure reflecting no service to them.

* AB 2323 passed the Legislature but was vetoed by the Governor.

The decision to allocate a compromise $351 million in grant funds for educational services was made by Governor Deukmejian and Superintendent Honig in late Fall 1987. The Legislature ratified this amount for 1988-89 in the 1988-89 Budget Act. Honig and Deukmejian also agreed to regard the $351 million as a "line of credit" that would be drawn down in accordance with the pace of usage by eligible legalized aliens and not in rigid adherence to the five-year plan in the State budget. As has been described above, however, the Legislature limited the flexibility of the Administration to rearrange funds within health, social welfare, and education categories of program expenditure. Thus Budget Act language appears to nullify the agreement between Honig and Deukmejian for the 1988-89 budget year by preventing any more than $84.5 million to be spent on education. The State budget provisions on the program are discussed further below.

Summary

To summarize, the difficulties in implementing the Immigration Reform and Control Act for California that arose during the first phase of the amnesty process (limited information on the size of the population of eligible legalized aliens and their educational needs, and uncertainty about federal rules) were compounded by the unworkable governance structure of having an agency of the executive branch divide up federal funds among agencies under the Governor's authority and the State Education Department headed by a State constitutional officer. The legitimate role of state legislatures in making state policy was overlooked in the Act. In California, the Legislature used the State budget process to exert its policy influence on program administration. The Legislature ratified the administration's plans for funding programs but limited administration officials' discretion in changing those plans in 1988-89.

California's Plan for SLIAG Funds

Pages 70-73 of the Governor's Budget Summary for 1988-89 described California's five-year plan for spending $1.75 billion in federal State Legalization Impact Assistance Grant funds from 1987-88 through 1991-92 (Display 17, page 60). Publication of the administration's approach to program implementation had been requested the previous year by the Legislative Analyst on pages 258-272 of *The 1987-88 Budget: Perspectives and Issues*. The Analyst noted that one-half of all undocumented United States immigrants live in California and that implementation of the Act would have "major fiscal and program effects" on California (p. 258). The Analyst issued this report in February-March 1987, at a time when the Administration was initially organizing to implement the program.

DISPLAY 17 Education Funds Under the State Legalization Assistance Grants Program Included in the Governor's Budget for 1988-89 (in Millions)

	Total Five Years	1987-88	1988-89	1989-90	190-191	1991-2
Adult Education	$337.1	$ 30.0	$ 80.0	$110.0	$ 90.0	$ 27.1
K-12 Supplemental	8.4	4.2	2.8	1.4	--	--
State Administration	5.5	0.6	1.3	1.7	1.4	0.5
Total Education	$351.0	$ 34.8	$ 84.1	$ 113.1	$ 91.4	$ 27.6

Source: *Governor's Budget Summary 1988-89.*

California's decision to extend these funds from three years to four and three-quarters years was predicated on the need to ease State agencies off of the federal funds and onto ordinary sources of State and local revenue for services. For example, newly legalized persons would become eligible for certain health programs, and grant funds were to be used to assist local governments heavily impacted with these persons over the short run, but federal assistance would be gradually phased down to allow local governments to find new sources of revenue to support them.

The need to "wean" education providers from federal funds was less of a consideration for education than for other program categories. Education programs were conceived of as more temporary in nature as eligible legalized aliens took the classes they needed to meet the Immigration and Naturalization Service's requirements of satisfactory pursuit. To be sure, some eligible legalized aliens would re-enroll in courses and enter the adult education system for further education and vocational training, but this was perceived at the time to be not as severe a problem as in other areas. Because of the nature and timing of requirements for the second stage of amnesty, eligible legalized aliens' demand for education services were likely to be concentrated in the first three years of state grant funding: 1987-88, 1988-89, and 1989-90. The Governor's budget and State plan did not take into account the unique timing of the needs for education services. By spreading the education funds over five years, the State failed to account for the "front-loading" of education demand that was likely to occur. While grants under the program may be used for all allowable education services to any eligible legalized alien, there is nothing in the statute or regulations prohibiting a state from targeting citizenship or English as a second language training to those who are required to demonstrate proficiency in order to qualify for permanent residency status.

California's plan distinguishes between a "critical core" of services and discretionary services, with critical core services including funding for services for which an

eligible individual would be entitled under federal or State law and services the aliens will need to apply for legalization. Instruction in English and civics for pre-1982 immigrants is among the ten critical core services in the State plan. In contrast, English for seasonal agricultural workers and for pre-1982 immigrants after they had been granted permanent residency status were placed in the "discretionary" category among twelve other programs. In budget language, the Legislature ratified one of the State's priorities for education programs -- to serve on a priority basis eligible legalized aliens with scores below 215 on the Comprehensive Adult Student Assessment System, compared to those scoring above 215 -- but it was silent on the priority for pre-1982 immigrants.

The 1988-89 application forms used by the State Department of Education to administer grants under the program require providers to screen eligible legalized aliens and prioritize persons scoring below 215 compared to those above 215. Yet the administration's priority emphasizing pre-1982 immigrants is not being implemented by providers or the Department.

Development of the Funding Formula

The State Department of Education and the Chancellor's Office of the California Community Colleges developed a separate education plan under the State Legalization Impact Assistance Grants Program in the spring of 1988 that described the need for classes in civics and English as a second language for eligible legalized aliens, the application process for providers, the organization at the State level to administer the program, and the formula for reimbursement. In the Immigration Reform and Control Act, the federal government established a $500 maximum per year per eligible legalized alien for educational services under the program. The California State plan provided that instruction was to be reimbursed at $2.49 per student per instructional hour for adult schools and community-based organizations and $2.75 per hour for community colleges. These hourly reimbursement rates were derived from converting the average adult revenue limit of $1,308 per unit of average daily attendance to an hourly instructional rate, with one unit of average daily attendance equaling 525 hours. The funding rate of $2.75 per student instructional hour for community colleges was based on the average revenue limit of $1,437 for community college non-credit instruction.

The higher hourly rate of reimbursement for community colleges was omitted in the State 1988-89 budget control language. Consequently, community colleges are being reimbursed at the same rate as adult school providers -- a rate *lower* than their average regular reimbursement. (For further explanation of the impli-

cations of this rate, see the discussion of barriers to expansion on pages 38-39 and the inadequacy of reimbursement rates on pages 70-71.)

Several aspects of the funding scheme favored existing providers over new providers, such as community-based organizations. By basing the reimbursement rate on average revenue limits for operating costs for adult schools and community colleges, the State did not take into account the fact that many community-based organizations, unlike school districts and public two-year colleges, would have to create entirely new educational programs for amnesty students by acquiring new space and classroom and office equipment, hiring teachers and administrators and support staff, developing new curriculum and obtaining materials, and establishing record-keeping and budgetary capabilities for the program. Public schools and colleges for the most part already had some infrastructure in place. In addition, the slow cash-flow process also tended to affect newly created programs of community-based organizations far more than large adult schools and community colleges, which could rely on State funds for other programs to float the salaries of teachers and the expenses of running the amnesty program.

This preference for existing providers is consistent with one of the three principles underlying the State plan -- to rely on existing providers, both public and private, to administer programs funded under the grant program.

Planning Assumptions

California's total grant expenditures for education of $351 million were based on a series of assumptions about the demography of amnesty applicants, Immigration and Naturalization Service legal requirements, and budget planning elements that were made without the benefit of experience to guide decision-makers. This section describes the important assumptions that were used to develop the plan and what subsequent events have revealed about their validity.

Demography

The State did not know until after May 1988 the number of actual pre-1982 immigrants eligible under the Act. A last-minute rush of amnesty applicants in May 1988 increased the figures substantially. Similarly, the number of seasonal agricultural workers could not be finally determined until after December 1989.

During the 1987 and 1988 planning process, the State Health and Welfare Agency relied on estimates of the numbers of eligible legalized aliens by the Population Research Unit of the Department of Finance, which derived its estimates from data from the Immigration and Naturalization Service and the Bureau of the Census. The Unit prepared succeeding estimates at various times during 1987 and

1988 and continually revised its estimates upward as new data from the Immigration and Naturalization Service became available. Display 18 below shows the estimates used at different times during the planning process. The planning figures used to develop the 1988-89 State budget and the five-year plan for State Legalization Impact Assistance Grants funds understated the number of pre-1982 immigrants by 19 percent and seasonal agricultural workers by close to 300 percent.

The State's estimate of the percentage of eligible legalized aliens who would be in the age range of 16-64 also proved to be too low. The June and October 1987 estimates from the Department of Finance assumed that 79 percent of them would be between the ages of 16 and 64, compared to an actual percentage of 91 percent.

DISPLAY 18 Summary of Estimates of the Number of Eligible Legalized Aliens in California

Source and Date	All Eligible Legalized Aliens	18- to 64-Year Olds	Pre-1982 Immigrants	Seasonal Agricultural Workers	Number Expected to Enroll
July 8, 1987, Cabinet briefing by the Health and Welfare Agency, using June 8 Population Research Unit data	655,000	544,473	454,478	90,000	--
Gail ImObersteg, July 1, 1987	655,500	550,620	--	--	440,49
Section 28 Application submitted by the State Department of Education on October 7, 1987, using October 1 Population Research Unit data	950,000	747,000	647,573	100,000	466,253
Health and Welfare Agency SLIAG Application for Fiscal Year 1987-88, May 12, 1988	900,000	756,000	--	--	544,320
Health and Welfare Agency SLIAG Application for Fiscal Year 1988-89, July 15, 1988	1,300,000	1,100,000	--	--	794,003
1989-90 Governor's Budget, January 1989	1,300,000	--	945,000	371,000	--
Immigration and Naturalization Service, January 7, 1989	1,685,000	1,500,000	856,000	620,000	--

Source: California Tomorrow.

Immigration and Naturalization Service Requirements

State planning for education services under the Act was done without the benefit of final regulations from the Immigration and Naturalization Service on the requirements for eligible legalized aliens to become permanent residents. The selection of a score of 215 on the Comprehensive Adult Student Assessment System as a measure of adequate English proficiency was reviewed with the Immigration and Naturalization Service, but the State prepared its plans without a final ruling on the interpretation of the education requirement. There have been three sets of draft rules from the Immigration and Naturalization Service implementing the Act:

1. In May 1988, a preliminary working draft of the regulations set the education requirement at 30 hours of instruction out of a 60-hour program of instruction.
2. In August 1988, proposed regulations modified the attendance requirement for eligible legalized aliens to 30 hours in a 100-hour course of instruction and allowed other means for them to satisfy the education requirement.
3. In November 1988, the interim final regulations set the requirement at 40 hours out of a 60-hour program of instruction.

Competence in English Language Skills

English language competence of eligible legalized aliens was another unknown factor. There was no information on the English language competency of the population of persons who would take advantage of amnesty offered under the Immigration Reform and Control Act. Recent data demonstrate very low educational attainment and English fluency among the undocumented Mexican and Salvadoran immigrants who together comprise 90 percent of California's eligible legalized aliens.

California's funding plan is based on estimates of the scores eligible legalized aliens will get on the Comprehensive Adult Student Assessment System and the number of hours it will them to reach a score of 215 -- the Immigration and Naturalization Service's working estimate of the standard of English competency required for permanent residency. These estimates are valuable for State planning to meet the educational needs of eligible legalized aliens, even though the Immigration and Naturalization Service has ruled that eligible legalized aliens have to demonstrate effort, not proficiency.

Budget Planning Elements

Aside from demographic information on eligible legalized aliens and the legal requirements of the Immigration and Naturalization Service for amnesty appli-

cants, State planners also had to develop estimates of the numbers of eligible legalized aliens who would enroll in classes in citizenship and English as a second language, the hours they would be enrolled, their rate of re-enrollment, and the timing of demand.

Enrollment in Classes: Because so little was known about the English language proficiency of eligible legalized aliens, various State and local government officials suggested hypotheses about how they would resemble known populations. The State Department of Education proposed as a similar population the current enrollees in adult education courses of English as a second language. The Health and Welfare Agency suggested California's Hispanic population. Ann Sutherland proposed foreign-born adults in California, and she calculated that, based on census data regarding their English proficiency and the Rand Corporation's study of immigration, over half of the eligible legalized aliens would not speak English. Mark Tajima proposed undocumented aliens from Mexico in the U.S. 1980 Census, which indicated that eligible legalized aliens would be younger and more likely to be proficient in English than older adults. He also suggested legal permanent resident aliens from Mexico, whose rate of naturalization was low. Since eligible legalized aliens of Mexican decent constituted three-fourths of California's total population of eligible legalized aliens, he predicted that they would have low utilization rates of citizenship classes and that the demand by seasonal agricultural workers for classes in civics and English as a second language would be low. In contrast, the Senate Education Committee predicted that demand for classes would be high based on existing high demand for English as a second language classes as evidenced by waiting lists, and low availability of civics classes ("California's Educational Needs Relating to IRCA," prepared for the U.S. House of Representative Committee on Education and Labor, September 28, 1987, pp. 21-3).

The Department of Education had data on adult participants in English as a second language classes, their proficiency in English, and the length of time it took them to reach a score of 215 on the Comprehensive Adult Student Assessment System. The Department's program change application of October 7, 1987, included estimates of the scores for eligible legalized aliens and the hours of instruction it would take them to attain a score of 215.

The Department of Finance resolved the differences among these theories by reducing by 80 percent the number of known pre-1982 eligible legalized aliens aged 19 to 64 to reflect the percentage they estimated would enroll in classes. It assumed that 25 percent of seasonal agricultural workers would enroll, and it estimated an annual dropout rate of 10 percent, which further reduced the number of eligible legalized aliens actually expected to attend SLIAG-funded classes. It applied these percentages of 80 percent utilization and 10 percent dropout to each set of Immigration and Naturalization Service figures on California's eligible le-

galized aliens as it updated and increased the estimates. At this writing, there is no new information to confirm or contradict those percentages. The actual figure will not be known until the conclusion of the Phase Two amnesty process in November 1990 through data gathered by the Comprehensive Adult Student Assessment System. Nonetheless, by Spring 1989 the State could obtain an interim assessment of the English proficiency of eligible legalized aliens who have already participated in SLIAG-funded classes on the basis of preliminary results of intake assessments using the Comprehensive Adult Student Assessment System.

Hours of Attendance: The hours that eligible legalized aliens would attend classes in civics and English as a second language is a factor in budget allocations. Under the November 1988 interim final rules of the Immigration and Naturalization Service, they were required to enroll for 40 hours to obtain a certificate of satisfactory pursuit. At the time the 1988-89 budget was developed, State planners used the 30-hour rule from May 1988 draft regulations as the requirement for satisfactory pursuit.

While education providers could utilize $500 of education services per year for each eligible legalized alien enrolled under the SLIAG program -- which would pay for over 200 hours of instruction -- State officials felt that most eligible legalized aliens would attend for fewer than 200 hours. Department of Finance budget planners used an 80-hour average per eligible legalized alien in developing the State's five-year schedule of SLIAG funding for the 1988-89 budget. But actual experience to date indicates 80 hours is, on the average, too low a figure. The average hourly enrollment of eligible legalized aliens is closer to 130 hours.

Timing of Demand: Eligible legalized aliens only have a total of 30 months from the time they applied for amnesty to adjust their status to that of permanent resident. For the great majority of pre-1982 immigrants, this means demonstration of satisfactory pursuit by enrollment for 40 hours out of a 60-hour course leading to proficiency in English and U.S. history and civics.

State planners did not know the pace at which eligible legalized aliens would enroll in amnesty classes, although they knew that demand would undoubtedly drop off after November 1990. Would eligible legalized aliens wait until the end of the allowed three and one-half year period and then rush to fill classes? Or would demand be spread out evenly between Spring 1987 and Fall 1990?

For the 1988-89 Budget, the Department of Finance developed a schedule of when eligible legalized aliens would take classes over a four-and-three-fourths-year period rather than three and one-half years. This schedule is shown in Display 19 below, along with the percentage of eligible legalized aliens to be served in each year and the number estimated to be served, based on two different estimates of total numbers of eligible legalized aliens and seasonal agricultural workers. This

schedule, which determines the schedule of SLIAG education funds, seriously underestimated recent actual enrollments. The utilization of amnesty classes was lower than expected in 1987-88, during which the State budgeted $30 million for classes in 1987-88 but only $13 million was claimed by providers -- leaving $17 million to carry over into 1988-89 -- but 1988-89 applications of providers estimate that 534,000 students may enroll: more than four times the original estimate in the 1988-89 budget.

It is difficult to predict the demand for SLIAG courses beyond 1988-89 because of the lack of information on the total population of eligible legalized aliens who will utilize classes, the length of time they will enroll, and the number of them who will re-enroll. The State could reduce its uncertainty in planning for the demand for classes in 1989-90 by periodic surveying providers on the average hourly enrollment of these students and their re-enrollment rates. The Immigration Reform and Control Act presents a tremendous technical challenge to State planners in judging demand for classes and appropriate budget levels. Better information is one means of reducing the uncertainty in this situation.

DISPLAY 19 Estimates of Demand by Eligible Legalized Aliens for Classes Between 1987-88 and 1991-92

Year	Percent Predicted to Enroll	Estimated Enrollment of Eligible Legalized Aliens: Department of Finance Estimate for the 1988-89 Budget	Estimated Enrollment of Eligible Legalized Aliens: State Department of Education Estimate Based on Updated Data
1987-88	9%	41,963	71,460
1988-89	24%	111,901	190,560
1989-90	32%	149,200	254,081
1990-91	27%	125,888	214,381
1991-92	8%	37,300	63,520
Total	100%	466,253	794,003

Source: California Tomorrow.

6 Funding Issues

THE critical policy issues before the California Legislature with regard to funding under the State Legalization Impact Grants Program are:

1. Whether the total funds allocated for educational services under the program will be adequate to address the need and demand;
2. Whether the timing and scheduling of those funds is sufficient to match the demand; and, finally,
3. Whether the State's funding formulas and reimbursement mechanisms are adequate and appropriate.

All three of these issues have tremendous impact on the ability of the State's educational system to meet the educational needs of eligible legalized aliens and fulfill the promise of the state grants program. The single largest barrier to expanding services is the inadequacy of funding levels and the slowness of the reimbursement process, which jeopardizes the abilities of the provider institutions to offer services. Inadequate funding levels and processes are also a major concern to providers who are not seeking funding under the program, as well as those non-providers who potentially might become involved in its delivery system.

Funding Levels

Funds under the SLIAG program can be used for the following categories of educational costs: English language and citizenship training, literacy training, educational materials, curriculum development attributable to the presence of eligible legalized aliens in the program, tutoring and independent study, direct and indirect administrative costs associated with the implementation of the Immigration Reform and Control Act, as well as program-related administrative costs associated with the delivery of services to eligible legalized aliens.

In designing the state grants program, the House Education and Labor Committee, which has primary jurisdiction over educational issues, endorsed an amendment to the Immigration Reform and Control Act making a cross-reference to the Emergency Immigrant Education Act. The fiscal impact of this provision was to impose a $500 cap annually on federal expenditures for each eligible legalized alien. For adults, the provisions of the Adult Education Act apply as well. Reimbursable services through the state grants program under this statute include basic education, general equivalency diploma (GED) training, English language in-

struction, citizenship skills training and ancillary services, with "ancillary" services including child care and transportation costs. Because the Adult Education Act does not cover vocational education or job training services *per se*, SLIAG funds cannot be used for these purposes.

States were given discretion to further limit the categories of reimbursable expenditures and to develop formulas for the allotment of the $500 per each eligible legalized alien. In California, the State Department of Education developed guidelines for these funds whereby reimbursements for services to these students are based on actual costs and are the lesser of (1) the service hours provided multiplied by the statewide average revenue limit for K-12 adult education programs computed on the basis of $2.59 per attendance hour plus other allowable discretionary costs, or (2) $500 per eligible legalized alien.

In addition to instructional costs, educational service providers can claim discretionary costs in three areas if their total costs do not exceed an average of $500 per eligible legalized alien per year:

1. Assessment (preliminary diagnostic screening or evaluation of proficiency levels up to $20 per eligible legalized alien;
2. Start-up costs of up to $25 per eligible legalized alien for local educational agencies and up to $62.50 for community-based organizations if those costs were incurred between July 1 and December 1, but only be for those enrollees who attend at least 20 hours in an approved course; and
3. Staff development (up to $50 for each teacher assigned to courses under the program).

Inadequacy of Reimbursement Rates

Significant problems exist with the reimbursement rates and formulas developed for the SLIAG program in California. The reimbursement rate of $2.59 per eligible legalized alien per instructional hour was based on the direct instructional average-daily-attendance (ADA) rate for adult schools. However, this is lower than the average reimbursement of $2.85 that community colleges normally receive for non-credit average daily attendance. Initial expectations that the community colleges would receive their higher rate of reimbursement under the program resulted in both planning difficulties and conflict when the formula was finalized in legislative budget approval at the lower rates of reimbursement for all providers. The difference between the regular reimbursement rates for community colleges and the SLIAG reimbursement rates created a fiscal disincentive for community colleges to utilize federal funds if they could manage to fund the programs out of their ADA funding. For some community colleges that are above their "cap" lim-

its, the low rate of SLIAG reimbursement became the barrier to becoming involved in developing an amnesty program at all.

In Fall 1988, the drafting and passage of Senate Bill 9 by the Legislature presented hope to community colleges that the problem with the low SLIAG reimbursement rates would be rectified, but the Governor vetoed that bill. After the veto, the Los Angeles Community College District circulated a memo to the Chancellor's Office announcing its intention of pursuing the funding of its amnesty programs through available State growth funds for basic skills and English as a second language rather than through federal SLIAG dollars. Given the State's policy of maximizing utilization of SLIAG funds over State funds, such a fiscal disincentive for community colleges is of particular concern.

In addition to this community college problem, community-based organizations report that the rate is inadequate to meet their actual costs in operating amnesty-preparation programs. Large educational institutions, such as adult education and community colleges, have available an intact and extensive infrastructure which eases the tasks of finding teachers, providing services such as maintenance and utilities, and making space and equipment available. Many of the expenses of running a program become buried in that infrastructure. For small community-based organizations, however -- and especially for those facing start-up of a whole new capability -- the exact dollar amount received from SLIAG funding has to cover a broader range of expenses:

> We're barely breaking even, even in terms of covering the teachers' salaries, and have no additional funds to cover the considerable administrative costs involved in administering the CASAS exam, record keeping, and issuing certificates. Ideally we could have a full-time administrator or coordinator responsible for managing the amnesty program. -- *a Bay-Area community-based organization amnesty program administrator.*

Senate Bill 9 attempted to rectify this problem as well.

Although adult schools do not cite problems with the reimbursement rate, which is equivalent to what they receive for all programs, across the board, SLIAG providers request a higher dollar amount of reimbursement for excess costs, a broader definition for those costs, and allowances for additional items to be reimbursed. Specifically, they call for increased allotments for assessment and start-up, and for the addition of child care as an allowable reimbursable expense.

Adequacy of the $500 Cap for Each Eligible Legalized Alien

Most courses being offered under the state grants program are between 60 and 200 hours in duration. The $500 maximum allowance per eligible legalized alien

per year is generally considered to be adequate for providers to offer courses running between 100 and 200 hours, but what is still unknown at this point is the effect that long periods of enrollment or re-enrollments will have on that maximum. So far, the $500 allotment is not considered a significant funding barrier; and in fact, given the restrictive reimbursement formulas, many providers will not be able to claim the full $500 allowed them.

Documentation for Reimbursement

Part of the problem in assuring adequate reimbursement for educational costs is the complex and time-consuming task of collecting information about the eligible legalized alien population and documenting the service costs. The audit trail for SLIAG dollars in California is of significant concern at the State level, and the need to provide clear documentation has repercussions at the provider level.

First, education service providers must distinguish between eligible legalized aliens and non-eligible legalized aliens by seeing evidence of work authorization or temporary resident status. Since eligible legalized aliens are by definition persons who have been granted temporary status, local providers must also determine whether their students' applications for legal status have been ultimately approved by the Immigration and Naturalization Service. If not, then SLIAG reimbursement is limited to the time when services were rendered before the denial of the application or revocation of status.

The federal Department of Health and Human Services, in its preamble to the final SLIAG regulations, acknowledged the difficulty of tracking eligible legalized alien status and suggested that providers verify the granting of temporary status before claiming reimbursement for services rendered to them. It also suggested that if an eligible legalized alien were granted temporary status, a service provider should check whether permanent residency status was also granted before claiming reimbursement. Obviously, these recommendations are more difficult to implement in practice than in theory, especially in view of administrative delays, legal appeals challenging denial of legal status, and other problems that make it problematic for service providers to assess accurately a person's legal status.

Further, under applicable program provisions, service providers have to identify adults with fewer than three academic years of education in U.S. primary and secondary schools and then have to ensure that adult eligible legalized aliens are not counted twice if they happen to take courses from several different sources.

Assuming that service providers can collect all of the above data in order to determine the number of eligible legalized aliens served, they must then decide whether the costs are allowable under the program to figure out the amount of reimbursement. Documentation and monitoring responsibilities are extensive and

hard to implement, not only because of providers' unfamiliarity with the procedures and requirements, but because of the lack of data-keeping systems and inadequate staff time. Technical assistance therefore becomes critical to facilitate the preparation, filing and acceptance of claims. The problems in first figuring out what information is necessary to document, then developing systems for ascertaining that information, and finally filing claims constitute a significant deterrent to the utilization of federal SLIAG funds.

Adequacy of the Funding Process

Funds for the SLIAG program are distributed on a reimbursement basis. Providers therefore need the capacity to cover cash flow for programs pending reimbursement. Given the confusion and lack of information about what will be reimbursable at what rates and the form of documentation that will be necessary to claim reimbursement, programs have been somewhat slow to submit their claims.

However, the major complaint from providers has been the slow rate of reimbursements. At the time of our provider survey (November 1988), the great majority of those providers who had submitted claims for 1987-88 had not yet received reimbursements. This represents a large and unanticipated cash flow burden, particularly on the smaller providers that lack the large institutional fiscal infrastructure to cover cash flow. As a result of the slow reimbursement, rumors and constant anxiety in the field that the State lacked sufficient SLIAG funds to reimburse everyone, some programs have been frozen and some potential ones have not begun. In addition, uncertainty about what would be reimbursable and the type of documentation that would be acceptable have led to significant concern among providers that they would not actually receive the funding due them.

Adequacy of the State's Budget for the Program

California's budgeted allotment for educational services for adults under SLIAG is $337.1 million, allocated on the following schedule from the Governor's Budget for 1988-89:

1987-88	$30.0 million
1988-89	$80.0 million
1989-90	$110.0 million
1990-91	$90.0 million
1991-92	$27.1 million

The first major question in reviewing this allocation is whether the total figure is adequate to cover the need. We now have a firmer knowledge of need and more information about re-enrollment and number of hours' enrollment than were known when the 1988-89 budget was developed. All of these significantly alter the funding levels necessary to ensure services for eligible legalized aliens in California.

Part Two of this report estimated three levels of need and demand as part of three scenarios: a figure of 856,300 pre-1982 eligible legalized aliens who are likely to require educational services for adjustment to permanent residency status (Scenario 1); a moderate figure of likely demand for courses of 1.0 million eligible legalized aliens (Scenario 2); and a potential demand figure of 1.5 million eligible legalized aliens (Scenario 3). The first scenario is not a useful figure for budget planning, due to the fact that for the first year and one-half of the SLIAG program, services were not restricted to the population of pre-1982 immigrants. Therefore, we have utilized Scenarios 2 and 3 in analyzing the adequacy of the budget allotment.

At the most simplistic level, multiplying these scenarios' estimates of need for educational services by the full $500 allotment per eligible legalized alien (assuming only one-year enrollment) results in the following:

Scenario 2 (expected demand: 1.0 million) = $500 million
Scenario 3 (potential demand: 1.5 million) = $750 million

This would signify an expected shortfall of $163 million in funding and a potential shortfall of $413 million. However, as discussed above, given the funding formulas utilized for reimbursements, providers in many cases will not claim up to the full $500 per eligible legalized alien served.

To get a more realistic picture of what the State may expect with regard to claims, several interactive variables must be considered. The first is whether current funding reimbursement levels remain in effect or the State decides to rectify existing fiscal disincentives for the use of SLIAG funds and the provision of services by raising the rate. The second is the actual size of demand and the actual length of enrollments. These cannot be precisely forecast now and will require close monitoring by the State.

Display 20 presents eight different budget levels based both on current funding rates, these recommended changes in funding formulas, and the expected level of demand identified in Scenarios 2 and 3. In constructing these budget figures, we held constant the overall proportion of eligible legalized aliens enrolling in adult schools, community colleges, and community-based organizations; we then kept the State averages for hours enrolled per eligible legalized alien; and we assumed that any modifications in funding would be effective beginning in late Spring 1989 and thus would not apply to approximately 500,000 eligible legalized aliens who will have already been served by the SLIAG system by that time.

DISPLAY 20 Budgets Options and Shortfalls in Millions of Dollars, Based on Expected Demand for Services

Scenario and Option	Amount	Increase Over Current Rate	Shortfall of Present Funding
Scenario 2 Options, Based on 1.0 Million Eligible Legalized Aliens			
1. Current funding rate	$467.3	--	$130.2
2. Increase the rate of direct instructional cost reimbursement to $2.85 per hour for community colleges and community-based organizations beginning in Spring 1989	$471.6	$4.3	$134.5
3. Include a broader allowance of $40 per eligible legalized alien for support and administrative services that include child care	$487.8	$20.5	$150.7
4. Combination of Options 2 and 3	$492.1	$24.8	$155.0
Scenario 3 Options, Based on 1.5 million Eligible Legalized Aliens			
5. Current funding rate	$681.4	--	$344.3
6. Increase the rate of direct instructional cost reimbursement to $2.85 per hour for community colleges and community-based organizations beginning in Spring 1989	$690.4	$8.2	$352.5
7. Include a broader allowance of $40 per eligible legalized alien for support and administrative services that include child care	$721.3	$24.8	$369.1
8. Combination of Options 6 and 7	$729.4	$47.2	$391.5

Note: The numerical bases of these eight options are outlined on pages 91-93 of Appendix A.

Source: California Tomorrow.

As can be seen, Display 20 demonstrates a broad spectrum of possible funding needs -- from a minimum expected level of $467.3 million with no changes in funding formulas (already $130.2 million above the total SLIAG education allotment) to a potential high of $729.4 million if all eligible legalized aliens avail themselves of educational services and recommended changes are made in funding formulas. Options 2 and 6 are designed to remove current fiscal disincentives to providing services under the program by increasing the reimbursement rate for community colleges and community-based organizations to $2.85 per hour for direct instructional costs. Options 3 and 7 include an additional $40 per eligible legal-

ized alien for support and administrative services, possibly including child care and transportation.

While it is still too early to be certain of levels of demand for courses, it is our expectation that Scenario 2, with an expected demand of 1.0 million eligible legalized aliens comes closer than Scenario 3 to what the State can expect, and that the revised hourly funding formula of Option 2 will be necessary to ensure that programs will expand adequately to meet the need. In addition, we estimate that the broader allowable support and administrative costs, including child care, of Option 3 are also going to be necessary to ensure availability of services to those who need them. Thus we believe that Option 4 ($492.1 million) is the most realistic estimate of the funding required to provide educational services under the SLIAG program. It appears, therefore, that the State's SLIAG budget for educational services will be approximately $155 million short of what is needed.

In addition to concerns about the adequacy of the overall allotment for educational services, concern also exists that the current 1988-89 allotment will not be sufficient to cover the claims for services. The expected enrollment for 1988-89 reported by providers is 520,800 eligible legalized aliens. Enrollment this past fall semester was just under 300,000, according to an estimate from the State Department of Education. At current funding levels and current average hours of enrollment, claims may be expected to total close to $240.5 million for the 1988-89 fiscal year.

The Governor's five-year budget for SLIAG has allocated $80 million for the 1988-89 school year, and approximately $17 million is being carried over from 1987-88 unexpended SLIAG funds. However, this total of $97 million available for the 1988-89 year is clearly insufficient for the expected $240.5 million in claims, and the State may expect an additional $143.5 million shortfall in funds needed for this fiscal year.

Summary

Funding levels and processes are a major issue in analyzing the adequacy of the State's implementation of the State Legalization Impact Assistance Grants Program. The complexity of the funding process, inadequacy of funding formulas, fiscal disincentives to utilize federal funds under the program, and the overall State allocations and schedules combine to make funding the major barrier to its full and effective implementation.

Based on our estimates, there will be a shortfall of approximately $143.5 million to complete the 1988-89 year and an overall shortfall in the full allotment for educational services of between $130.2 and $155.0 million, depending on whether critical revisions are made in funding formulas.

7 Conclusions and Recommendations

Conclusions

The Immigration Reform and Control Act of 1986 offers a unique opportunity for close to 1.5 million previously undocumented aliens to become full participants in California's social, political, and economic life. To realize this potential, California must utilize fully the opportunity under the Act's State Legalization Impact Assistance Grants (SLIAG) Program to maximize the number of eligible legalized aliens attaining permanent residency status, increase the number becoming U.S. citizens, and increase their levels of English language literacy and basic skills. This task is enormous and must be accomplished in a short time.

Faced with this challenge, California's state government has begun to implement the state grants program, in spite of tremendous uncertainties about the levels of need and demand, patterns of service utilization, and Immigration and Naturalization Service regulations. Those individuals and agencies responsible for program implementation deserve recognition for accomplishing a great deal in the face of enormous obstacles. It is time, however, with the benefit of actual experience, to reassess California's direction in implementing the program.

Current levels of funding and service as well as current patterns of State coordination and planning are inadequate to the task. Under even the most minimal assumptions of need, inadequate funding will result in a shortage of classes in citizenship and English, along with a critical mismatch between need and services in many counties of the State. If not changed, this pattern of implementation will result in a serious missed opportunity for California and the denial of permanent residency status to many eligible legalized aliens.

The following six principles shape our policy recommendations to avoid that outcome:

1. Maximizing the number of eligible legalized aliens who complete the second-phase process and adjust to permanent residency status;
2. Ensuring an adequate supply of courses where they are needed to address at least the minimal need, and maximizing the possibility of a supply of courses adequate for the anticipated demand;
3. Providing adequate support, technical assistance, funding and State initiatives to ensure a quality of educational programs appropriate for addressing the educational needs of eligible legalized aliens;

4. Establishing a strong State role in monitoring what is occurring in the field, so appropriate revisions in State policy and planning can be made as necessary;
5. Considering long-term State interests in the establishment of State policy, and planning for the long-term impact of the eligible legalized alien population on the educational system and economy; and
6. Maximizing the use of federal rather than State funds.

Recommendations

1. **California's anticipated fiscal-year 1988-89 shortfall of approximately $143.5 million in State Legalization Impact Assistance Grant funds should be addressed immediately in order to enable educational providers to continue operation.**

   Provisions should be made immediately to draw down on the total 4¾ year education allocation of $337.1 million in order to meet the claims for the 1988-89 year. In addition, California's total education allotment should be completely reassessed and revised in order to address the expected shortfall of between $130.2 million and $155.0 million.

2. **The State should give first priority for funding under the State Legalization Impact Assistance Grant Program to counties with anticipated shortfall of services. These counties should give first priority enrollment to pre-1982 immigrants who require courses to fulfill the requirements of the Immigration and Naturalization Service for adjustment to permanent residency status.**

   The State must address the critical need of pre-1982 immigrants to enroll in courses to satisfy Immigration and Naturalization Service requirements by two means:

   - In those counties with anticipated shortfalls of services, guaranteed priority enrollment should be given to pre-1982 eligible legalized aliens enrolling for the first time in courses satisfying Immigration and Naturalization Service requirements through December 1990, or until data is available that ensures adequate capacity to serve the demand for services.
   - In addition, the State must commit to all necessary measures that can be taken to ensure that adequate courses are available to meet the need, including (1) reducing the barriers that providers face in expanding their ca-

pacity and (2) extending the SLIAG program's network beyond current providers in those counties with shortfalls.

3. **If California is unable to ensure adequate course availability for those pre-1982 immigrants who need educational services in order to adjust to permanent residency status, the Legislature and the Governor should exert all possible influence with Congress and the Immigration and Naturalization Service to extend the December 1990 deadline for these immigrants' adjustment to permanent residency status on the basis that the State does not have adequate course availability to assist them to meet requirements.**

4. **The Legislature should institute a strong leadership and oversight role in implementing the Immigration Reform and Control Act in California through a program that includes an oversight and quality control mechanism and a mediation mechanism to mitigate conflicts between agencies involved in implementing the Immigration Reform and Control Act.**

   The Immigration Reform and Control Act of 1986 is not simply a federal program with funds funneled through the states. It represents a major opportunity for California to educate and bring into full participation in its society and economy a very large population of previously undocumented residents who have lived in the shadows for years. The long-term stakes for our State are significant, as are the long-term impacts of the legalization program. Federal funds through the State Legalization Impact Assistance Grants Program cushion the impact of the newly legalizing population on State revenues for education during the four- to five-year period ending in 1992. Hopefully, through this program, a significant portion of California's eligible legalized aliens will become education consumers. The State should expect increased demand for general equivalency diploma (GED) programs, English as a second language, basic skills, general education, and vocational training as eligible legalized aliens proceed to obtain citizenship. This could constitute a significant strain on California's educational system.

5. **The Legislature should convene a legislative task force to consider the long-term impact of the legalizing population upon adult education and to recommend policy initiatives to ease the transfer of fiscal burden from federal to State funds.**

   Several State policy issues must be reconsidered in light of this increased need and demand: (1) the revenue limits on adult education and what will occur when the SLIAG program is phased out; (2) a more realistic cost-of-living adjustment; (3) State revenue limit equalization and the relationship between

the state grants program and other federally-funded educational services; and (4) a transition program to ensure that the program has adequate mechanisms to lead eligible legalized aliens into regular education programs. Finally, there is a need for a legislative oversight and grievance mechanism to mitigate the difficulties that arise when certain agencies exercise their authority over others, or when planning, budgeting, and implementation decisions are made by one agency but have an impact on others.

6. **A formal working group that reports to the Legislature and is comprised of high-level representatives of all major agencies and offices involved in implementing the Immigration Reform and Control Act should be established to improve statewide monitoring processes and State-level planning and coordination among these agencies.**

   California needs a strong, coordinated State-level effort to ensure that the maximum benefit is obtained under the 1986 Act. Lack of information and conflict of roles has hampered its implementation. Improved communication among the major agencies and offices is essential, along with clearer explication of roles and responsibilities, formalized mechanisms for joint planning and implementation, and a data-collection process to monitor utilization and demand.

   The major State entities involved in establishing policy governing the SLIAG program should have a means of agreeing upon priorities, clarifying intent, and discussing measures to assess its effectiveness. At this point, there is no consensus statement of need or planning document that reflects the now known total number of eligible legalized aliens and the interim final regulations of the Immigration and Naturalization Service. There is no document explaining the basis of the State plan or the $351 million allocation for education.

   Therefore a formal working group comprised of high-level representatives of all the major agencies involved in implementing the 1986 Act should meet regularly to develop a consensus statement about the goals and priorities of California's program and establish a mechanism for technical information exchange regarding need, demand, utilization patterns, and other issues affecting overall State planning and budgeting for the program. State planners need a mechanism to allow policy to respond to the evolving patterns of implementation. The proposed interagency group should prepare regular reports to the Legislature on implementation of the Act that include facts on the number of eligible legalized aliens served to date, educational needs of this population, and course availability and utilization on a county-by-county basis. These updates will be particularly important and useful in the late spring of 1989, since new data are expected to be available concerning language levels and needs of the eligible legalized alien population, new perspectives on re-enroll-

ment rates and average duration of enrollment, and initial experiences with the Immigration and Naturalization Service's test for adjustment to permanent residency status.

7. **The State Department of Education should continue high-level staff involvement in managing the Immigration Reform and Control Act Unit and intensify its efforts to staff the unit adequately. It should immediately review and revise current professional and clerical staffing for the unit and, with the full cooperation of the Department of Finance and the Health and Welfare Agency, expedite acquisition of necessary staff.**

   The State Department of Education must have an adequate number of staff assigned to the State Legalization Impact Assistance Grants Program to ensure that responsibilities are carried out in a timely manner. The tremendous demand from providers for technical assistance with regard to applications for program approval, documentation processes, curriculum and program issues, and technical information about what is reimbursable, requires staff members with the time and responsibility for providing such support. It also requires adequate clerical and technical support, including a phone system that is adequate to handle communication with the field. Consistently delayed reimbursement of claims has been a significant deterrent to the expansion of existing programs and the creation of new ones. Timely processing of reimbursement claims is critical in order to avoid penalizing smaller programs that do not have the ability to cover the cash flow over long periods of time. In addition, until this problem is resolved, both community colleges and adult education programs under their revenue limit will continue to prefer to utilize State funds rather than federal funds to support their programs. If these problems remain unresolved, two consequences are likely: (1) reduced participation of community-based organizations, and (2) a greater-than-expected utilization of state adult education funds for a federally-reimbursable purpose.

   The Department of Education must provide consistent, clear information to providers about what is reimbursable and at what levels, what documentation is required, status of applications, and new developments in either state or federal regulations. In addition, a separate manager within the unit should be designated, and be responsible for handling the concerns and applications of community-based organizations. This manager should be committed to the involvement of community-based organizations in the SLIAG program and well-acquainted with the needs of community-based organizations and the issues they face in working with the program.

   It has been a grave mistake to manage this program with such a small unit, and the staff shortage has led to unreasonable delays, inadequate technical services and inequitable funding formulas. As a result, many providers are

unable or unwilling to continue serving the amnesty population. The responsibilities of the State Department of Education are too important to be shortchanged by inadequate staffing levels.

8. **In order to ensure a coordinated and adequate level of educational services in currently underserved and unserved counties, the Department of Education should immediately convene county-level planning groups in counties of concern, and institute a prioritizing system in the approval of applications for program funding.**

   It is crucial to establish a well-developed information exchange between providers in a county or region in order to ensure adequate levels of educational services, to assist in identifying local area concerns and problems, and to permit joint planning. In regions of California where strong coalitions of providers have been developed, they have been important sources of information, forces for coordination, and mechanisms for monitoring regional progress in meeting needs. Therefore, the Department of Education should convene county planning groups, at least in those counties with the greatest shortfall of services. These planning groups should be given information on the number of eligible legalized aliens in the county (broken into zip-code units for better planning), information about the current supply system, and provided with targeted technical assistance to conduct local needs assessments, file applications for State grant approval, and institute new programs where necessary.

   The Department should also give priority approval to pending applications from the most critically underserved counties and to applications from providers that have mechanisms favoring enrollment of pre-1982 immigrants already in place. Finally, it should conduct intensive, targeted outreach to the potential providers in underserved counties. Strong state-level leadership is also required to encourage the universe of potential providers of educational services to become involved in serving eligible legalized aliens and participating in the State grant program.

9. **To encourage continued service levels and expansion of programs, as well as to maximize use of federal funds, funding disincentives under the state grants program should be reduced, and funding formulas should be adjusted to more adequately reflect costs and program needs. The community college reimbursement rate should be raised immediately to the level of regular non-credit reimbursement rate -- $2.85 per hour. Excess allowable costs should be more broadly defined so that costs incurred by providers can be reimbursed. Of greatest importance, child-care costs should become allowable reimbursement expenses.**

Current funding levels, based upon the adult education model, are insufficient for both community colleges and community-based organizations. In addition, a broader definition of allowable excess costs is necessary. Current inadequate levels of funding result in lack of outreach, limited curriculum and materials development, classes so large that the quality of instruction is compromised, and a significant disincentive to providers to become involved in the program. Failure to raise the community college reimbursement rate to $2.85 per hour will continue the disincentive for community colleges to utilize federal rather than State funds. In addition, community-based organizations require the higher reimbursement level in order to compensate for their relative lack of institutional infrastructure to cover the costs of starting and implementing programs.

In addition, the costs of start-up, outreach, guidance, second-phase counseling, and child care should all be reimbursable. Including child-care costs as allowable reimbursement expenses is particularly important to address the needs of women in the program, who participate at much lower rates if these support services are not available. Better coordination between State-supported child-care programs and Immigration Reform and Control Act programs could also help to address this need.

Appendix A Methodology of the Project

ON OCTOBER 3, 1988, the California Postsecondary Education Commission contracted with California Tomorrow to perform a needs assessment for the State Legislature on the availability and adequacy of educational services for eligible legalized aliens. This project was conducted in October, November, and December 1988, culminating in a preliminary draft and recommendations to the Commission at its January 23, 1989, meeting a second draft submitted for the March 17, 1989 meeting, and updated statistics included for this final version.

California Tomorrow has utilized several different approaches to data collection in constructing a picture of the number of individuals who will need educational services during the 1989-90 fiscal year, the adequacy of existing educational programs to meet that demand, and the resulting fiscal implications for State government. These methods included:

1. A telephone survey of providers of educational services to the amnesty population probing issues in program utilization, availability, and implementation;
2. Case studies in selected sites in California to provide a more in-depth view of these issues, and including interviews with program administrators, teachers, students enrolled in the amnesty-preparation courses, and community advocates from the communities served by the program;
3. Interviews with key State-level program staff, immigration and educational experts, and policy makers to identify issues in designing and coordinating the State programs, and highlighting the policy decisions to be made in the year ahead regarding educational services for the amnesty population;
4. Review of policy documents relevant to the implementation of the Immigration Reform and Control Act in California;
5. Analysis of existing data from the Immigration and Naturalization Service and other governmental sources to produce a demographic profile of the amnesty population and where they reside;
6. Creation of a statewide advisory panel -- composed of individuals with expertise and representation of the major immigrant communities in California, the major provider institutions, and the research community -- to provide input in the design of the methodology, assist in the analysis of findings and the development of the policy implications; and
7. Development of enrollment scenarios and budget options.

This appendix describes each of these elements of the project in turn.

1. Telephone Surveys of Providers

The provider surveys were designed to elicit data from the field about existing, projected and potential educational services for eligible legalized aliens under the Immigration Reform and Control Act. We utilized three different forms of the provider survey: one for providers funded under the State Legalization Impact Assistance Grants Program, a second for providers who had submitted applications for funding but are pending approval, and a third of potential providers who are not a part of the program. These potential providers were identified as (1) approved adult education programs in school districts in counties with eligible legalized aliens, (2) community colleges providing credit or non-credit programs of English as a second language in counties with eligible legalized aliens, and (3) community-based organizations in immigration rights coalitions who intended to offer classes.

The content of the surveys included the area served and programs offered; issues affecting program and budget planning and projections; data about the teaching force; the present actual capacity of the program and the planned capacity over the next year; adequacy of SLIAG funding levels and processes; and identification of barriers to expansion.

Based upon data provided by the State Department of Education, the Chancellor's Office, and from Immigrant Rights Coalitions throughout the State, we assembled the following list of actual and potential providers:

	Adult Schools	Community Colleges	Community-Based Organizations	Total
Number of SLIAG-approved providers	80	40	43	163
Percent of possible total	87%	83%	100%	89%
Number of pending applicants	18	5	33	56
Percent of possible total	55%	71%	47%	49%
Total number of SLIAG providers and applicants	98	45	76	219
Number of non-applicant providers	47	16	9	72
Percent of possible total	41%	84%	29%	44%

Our sampling procedure for the preliminary report resulted in surveys from 89 percent of the SLIAG-approved providers, 49 percent of the pending applicants, and 44 percent of the non-applicant providers (50 percent of the latter in counties with over 5,000 eligible legalized aliens, and 33 percent in counties with fewer than 5,000). The telephone surveys were conducted with the program administrators directly responsible for the programs. They were confidential and lasted from approximately 20 minutes with potential providers to over one hour for some funded programs.

2. Case Studies

To obtain a more in-depth look at the interactive issues in implementing services for eligible legalized aliens, we designed a case study methodology. These studies were conducted in 10 communities in California, defined by the jurisdiction served by a specific provider. They included three community colleges, five adult schools, and three community-based organizations in the following areas: Los Angeles County, Orange County, San Francisco, the Central Valley, and San Jose.

Each case study included interviews with all program administrators, up to 10 teachers, and a sample of eligible legalized aliens enrolled in the program. The interviews with program administrators focused on issues similar to the telephone surveys, but probed in more depth. Teacher interviews probed curriculum, while those with students asked why they were taking the course, their awareness of Immigration and Naturalization Service regulations, and their perspectives on the behavior of other eligible legalized aliens in their communities with regard to the utilization of educational services.

In addition, interviews with immigrant community advocates in each community elicited perspectives on met and unmet educational needs of the eligible legalized alien population and issues in implementing the Immigration Reform and Control Act.

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3. Interviews

Two other groups were also interviewed: (1) immigrant advocates in California, and (2) staff of the major State agencies involved in implementing the Immigration Reform and Control Act and establishing State policy for the State Legalization Impact Assistance Grants Program -- including the Health and Welfare Agency, the State Department of Education, the Department of Finance, the Office of the Legislative Analyst, and key legislative staff.

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4. Review of Policy Documents

We reviewed all pertinent documents identified and made available to us by key policy staff relating to the planning and setting of formal State policy for implementing the Immigration Reform and Control Act, in order to identify the assumptions forming the basis of current policy. We also reviewed the series of draft regulations and other planning documents from the Immigration and Naturalization Service.

5. Analysis of Existing Data Bases and Research Literature

We analyzed existing data bases relating to the number of eligible legalized aliens, those needing and utilizing educational services, the number of course slots available, and funding for these courses. In addition, we requisitioned a new run of data from the Immigration and Naturalization Service about the number and location of eligible legalized aliens in California. We also reviewed all research literature we have been able to identify relating to the Immigration Reform and Control Act.

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6. Creation of the Advisory Panel

Due to the difficulty of constructing a coherent and comprehensive picture of what is occurring in implementing the Immigration Reform and Control Act within a tight time-frame and in the midst of a rapidly changing situation, the project utilized a statewide advisory panel to review the overall project design, assist in identifying data sources and provide expert perspectives. This panel included the following staff of State agencies, practitioners from community colleges, community-based organizations and adult schools, and immigrant community advocates:

Saeed Ali, Coordinator, Los Angeles County Community College Coalition for Amnesty, Glendale
Roberto Barragan, Executive Director, Adelante Incorporation, Berkeley
Robin Blackwell, Orange County Human Relations Commission, Santa Ana
Mario Chacon, Consultant, Assembly Ways and Means Committee, California Legislature
Juan Cruz, Specialist, IRCA, Chancellor's Office, California Community Colleges
Richard Epstein, Special Assistant, Health and Welfare Agency
Richard Figueroa, Consultant, Budget and Fiscal Review Committee, California Legislature
Alma Gamez, Advisor, Division of Adult and Occupational Education, Los Angeles Unified School District
Carol Hallstrom, Attorney, and Professor, University of San Diego Law School
Nick Kremer, Consortium on Employment Communication, Center for Career Studies, California State University, Long Beach
Cuba Miller, Administrator, Sequoia Union High School District, Redwood City
Michael Nussbaum, Program Analyst, Legislative Budget Committee
Bob Olsen, Principal Program Budget Analyst, California State Department of Finance
Manny Contreras, Executive Director, National Association of Latin Elected Officials, Los Angeles

Jeff Stansbury, International Ladies Garment Workers Union, Los Angeles
Richard Stiles, Administrator, IRCA Unit, California State Department of Education
Ann Sutherland, Consultant to the Honorable Gary Hart, Sacramento

Members met first on November 15, 1988, and were convened again early in 1989 to review the preliminary document and provide input into the final recommendations.

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7. Development of Enrollment Scenarios and Budget Options

Finally, we developed the three enrollment scenarios discussed in Part Two and the eight budget options outlined in Part Six. These estimates assumed continuing patterns of service by type of provider as follows: 11 percent served by community colleges, 76 percent served by adult schools, and 13 percent served by community-based organizations. They also assumed continuing patterns in the average length of enrollment by type of provider as follows: 155 hours in community colleges, 167 in adult schools, and 116 in community-based organizations.

The eight budget options were based on the following numbers:

Budget Option 1

11 percent of 1.0 million eligible legalized aliens served in community colleges x 155 hours average length of attendance x $2.59 per hour *plus*
76 percent of 1.0 million served in adult schools x 167 hours average length of attendance x $2.59/hour *plus*
13 percent of 1.0 million served in community-based organizations x 116 average hours x $2.59/hour *plus*
13 percent of 1.0 million served in community-based organizations x $62.50 start-up *plus*
87 percent of 1.0 million served in adult schools and community colleges x $25 start-up *plus*
1.1 million x $20/assessment *plus*
6,200 teachers x $50/staff development.

Budget Option 2

Assumes 500,000 already served at old rates, and 511,292 yet to be served under this revised formula:

11 percent of 500,000 served in community colleges x 155 hours average length of attendance x $2.59 per hour *plus*
11 percent of 600,000 served in community colleges x 155 hours average length of attendance x $2.85 per hour *plus*
76 percent of 1.1 million served in adult schools x 167 hours average length of attendance x $2.59 per hour *plus*
13 percent of 500,000 served in community-based organizations x 116 average hours x $2.59 per hour *plus*
13 percent of 600,000 served in community-based organizations x 116 average hours x $2.85 per hour *plus*
13 percent of 1.1 million served in community-based organizations x $62.50/start-up *plus*
87 percent of 1.1 million served in adult schools and community colleges x $25 per start-up *plus*
1.1 million x $20 per assessment *plus*
6,200 teachers x $50 per staff development.

Budget Option 3

Total of Scenario #1 ($508,305,950) *plus* 511,296 x $40

Budget Option 4

Total of Option 1 plus
an additional $43 million for higher instructional rate *plus*
an additional $20.5 million for child care

Budget Option 5

11 percent of 1.5 million served in community colleges x 155 hours average length of attendance x $2.59 per hour *plus*
76 percent of 1.5 million served in adult schools x 167 average hours of attendance x $2.59 per hour *plus*
13 percent of 1.5 million served in community-based organizations x $2.59 per hour *plus*
13 percent of 1.5 million served in community-based organizations x $62.50 per start-up *plus*
87 percent of 1.5 million served in adult schools and community colleges x $25 per start-up *plus*
1.5 million x $20 per assessment *plus*

6,200 teachers x $50 per staff development (assumes an increase in the number of teachers needed to serve the higher numbers of eligible legalized aliens).

Budget Option 6

Assumes 500,000 already served at old rates, and 1.0 million yet to be served under this revised formula:

11 percent of 500,000 served in community colleges x 155 hours average length of attendance x $2.59 per hour *plus*
11 percent of 1.0 million served in community colleges x 155 hours average length of attendance x $2.85 per hour *plus*
76 percent of 1.0 million served in adult schools x 167 average hours attendance x $2.59 per hour *plus*
13 percent of 500,000 served in community-based organizations x 116 average hours x $2.85 per hour *plus*
13 percent of 1.5 million served in community-based organizations x $62.50 start-up *plus*
87 percent of 1.5 million served in adult schools and community colleges x $25 per start-up *plus*
1.5 million x $20 per assessment *plus*
7,200 teachers x $50 per staff development.

Budget Option 7

Total of Option 5 *plus* 1.0 million eligible legalized aliens x $40 per each one.

Budget Option 8

Total of Budget Option 5 *plus*
$39.1 million (1.0 million eligible legalized aliens x $40 per each one for broader allowable support per administrative costs) *plus*
$8.2 million for higher rates of hourly reimbursement from Option 6.

Appendix B Glossary

Eligible Legalized Aliens

Previously undocumented immigrants to the United States who have applied for and successfully obtained temporary resident status under the Immigration Reform and Control Act of 1986.

Immigration and Naturalization Service (INS)

The federal agency which administers the IRCA amnesty program and has promulgated the regulations governing the attainment of temporary and permanent resident status by immigrants.

Immigration Reform and Control Act of 1986 (IRCA)

Enacted in November 1986, this Act created the amnesty program by providing for the legalization of certain immigrants residing illegally in the United States. The Act also appropriated funds under the State Legalization Impact Assistance Grants Program for states to use to alleviate the financial impact of the newly-legalized immigrants on state and local public services.

Naturalization

The process by which immigrants who are permanent residents (including those who obtained that status through the Immigation Reform and Control Act) can apply for and obtain United States citizenship. Generally, to become a U.S. citizen, permanent residents must be at least 18 years of age, fulfill residency requirements, possess "good character" (the absence of a criminal record), and must demonstrate proficiency in English and U.S. government and history. The naturalization process includes filing an application, an oral examination, and a swearing-in ceremony.

Permanent Resident

Those immigrants who have obtained permanent resident status under the Immigration Reform and Control Act (or by other means provided in U.S. immigration law). Under the Act, an immigrant residing illegally in the United States must qualify for and obtain temporary status before being able to obtain permanent resident status. Temporary status allows an immigrant to reside legally in the United States for a limited specified length of time before being required to apply for permanent status. In order to become a permanent resident, a temporary resident must fulfill certain requirements, including the education requirements under the Immigration

Reform and Control Act. The process of obtaining permanent resident status is referred to as the "second stage" or "second phase" of the amnesty program. An immigrant who fails to obtain permanent resident status under the Act within the specified time is subject to deportation. Those who successfully obtain permanent resident status are eligible to eventually become U.S. citizens if they fulfill the applicable requirements of the naturalization process. Permanent residents must fulfill many of the obligations of U.S. citizens, including payment of taxes and service in the U.S. Armed Forces. They do not, however, have many of the rights of citizens, including the right to vote.

Pre-1982 Immigrants

Those eligible legalized aliens who qualified for and obtained temporary resident status by virtue of having resided illegally in the United States since before January 1, 1982. Pre-1982 immigrants are required to fulfill the educational requirement in order to obtain permanent resident status under the Immigration Reform and Control Act.

Seasonal Agricultural Workers

Those eligible legalized aliens who qualified for and obtained temporary resident status under the Immigration Reform and Control Act by virtue of having performed seasonal agricultural work in the United States during a specified period of time. Seasonal agricultural workers are not required to fulfill the educational requirements to obtain permanent resident status under the Act.

State Legalization Impact Assistance Grants (SLIAG)

Funds appropriated under the Immigration Reform and Control Act for states to use to alleviate the financial impact of immigrants legalized under the Act on state and local public services.

Temporary Resident

Those immigrants who previously resided illegally in the United States, but have obtained temporary resident status under the Immigration Reform and Control Act by fulfilling the applicable requirements. An immigrant who has obtained temporary resident status can reside legally in the United States for a specified amount of time, but must apply to obtain permanent resident status in order to avoid being subject to deportation. The process of obtaining temporary resident status is referred to as the "first stage" or "first phase" of the amnesty program under the Act.

Appendix C Chronology of Events

November 6, 1986

The Immigration Reform and Control Act is signed into law by President Reagan as a sweeping reform of federal immigration policy.

Early months 1987

California implementation planning begins.

February 1987

Governor Deukmejian designates the Health and Welfare Agency as the lead agency in California responsible for implementing the Immigration Reform and Control Act.

March 1987

The Health and Welfare Agency designates the State Department of Education as the lead agency for educational services under the State Legalization Impact Assistance Grants Program.

The Legislative Analyst's Office requests publication of the administration's approach to implementation of the program.

April 1987

The Working Advisory Group is convened by the Health and Welfare Agency to provide input into development of the State plan.

May 1987

The Immigration and Naturalization Service begins accepting applications for the amnesty program.

July 8, 1987

The Health and Welfare Agency briefs the Governor on a proposed implementation approach and receives approval for it.

Fall 1987

The Joint Committee on Refugee Resettlement holds hearings on the impact of the Immigration Reform and Control Act on California.

The Governor and Superintendent of Public Instruction agree on a $351 million allocation for education under the State Legalization Impact Assistance Grants Program.

January 1988

The Health and Welfare Agency submits the State Legalization Impact Assistance Grants Program budget to the Legislature, and the Department of Social Services is designated as the grantee for State Legalization Impact Assistance Grant funds.

February 1988

The Governor and Superintendent of Public Instruction agree on scheduling flexibility within the $351 million education allocation.

Spring 1988

The State Department of Education develops its plan for implementing the State Legalization Impact Assistance Grants Program, and the Chancellor's Office of the California Community Colleges develops a plan for the community colleges.

April 26, 1988

The Legislature's Budget Committee reviews and approves the Administration's plans for 1987-88 funding under the State Legalization Impact Assistance Grants Program, the five-year scheduling plan, and program categories of expenditures, but it restricts the flexibility in scheduling funds from year to year.

May 4, 1988

Deadline of the Immigration and Naturalization Service for accepting general pre-1982 immigrants' applications for amnesty.

May 12, 1988

California submits an application for federal funds for fiscal year 1988 underthe State Legalization Impact Assistance Grants Program.

May 20, 1988

The Immigration and Naturalization Service issues a preliminary working draft of regulations governing the adjustment of temporary residents' status to permanent residency.

June 15, 1988

The U.S. Department of Health and Human Services accepts California's application for funds under the State Legalization Impact Assistance Grants Program.

July 15, 1988

California submits an application for federal funds for fiscal year 1989 with an update for federal fiscal year 1988.

August 8, 1988

The Immigration and Naturalization Service issues new proposed regulations revising the May 20 preliminary working draft, which clarify the "satisfactory pursuit" requirement and changes several aspects of the educational requirements for adjustment of status.

November 1988

The second phase of the amnesty process begins for the group of amnesty applicants who submitted their applications in May 1987. They may now apply to adjust their status and have 12 months within which they must satisfactorily fulfill the requirements to adjust their status to permanent residency status, or be subject to deportation.

The Immigration and Naturalization Service issues general deadlines for accepting applicants for the amnesty process from seasonal agricultural workers.

November 7, 1988

The Immigration and Naturalization Service releases interim final regulations, further modifying educational requirements for adjustment of status.